DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.
CHICAGO, 4

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

January 2, 1951

The new year started auspiciously and when traders came to their offices this morning they found some unexpected moisture reported in many parts of the Southwest. Precipitation in Kansas was rather widespread, and even some of the western sections were benefited. We had one message from Liberal that it had been snowing hard in that vicinity, while in Enid the official showed nearly one-half inch moisture. It also looked general around those sections. The moisture went as far North as Nebraska and also covered the Central States where it was not needed, although we believe that the Texas Panhandle has not had much relief as yet. However, at this writing there was one-quarter inch throughout the Amarillo-Dalhart sections, and it seems to be quite general on the North and South Plains, still snowing lightly out there, which might indicate that this is the end of a dry spell which has ruled now for several months. Temperatures have risen decidedly East of the Mississippi River and considerable thawing has taken place. In fact, around here it is rather odd to have rain instead of snow coming early in January.

The trade paid some attention to this moisture and lower prices were scored at the opening but later on feed grains became very strong, and our markets had an extremely firm undertone. Possibly this was due to the fact that parity seems to be rising almost every month, and we find that many economists are blaming the high cost of living to the parity formula and the way it works. Clothing prices paid by farmers during December were the highest on record, and the most substantial price increases in recent months have been in men's and women's clothing, although textiles, equipment, furniture and floor coverings were at prices averaging 4% above the recent September level. Anyone who has had to buy cotton sheets lately knows the high prices that have been demanded, while coal and wood-burning stoves made the most significant gain in prices that were paid for household equipment. All these matters suggest that inflation is still foremost in many people's minds.

If the next wheat loan were adopted now it would probably be as high as last year's loan even though farmers had to pay storage on warehoused grain. This shows the tremendous increases that have been gaining momentum. The government also gave us some figures on the amount of wheat impounded as of November 30th, and we find that 164 million bu is now under loan or purchase agreements. This compares with 141 million bu a month earlier and 295 million bu last year. It makes no allowance, however, for any redemptions that may have occurred, and we assume that there has been a fair amount of wheat coming out due to advancing prices. In the eastern part of the country only a million bushel more wheat was impounded than a month earlier, but in the southwestern states there was an additional 5 million bu, bringing the total to 66 million. The four northwestern states increased 13 million to 36 million, and while there is little discussion on the amounts impounded on the Pacific Coast, there were some increases in those areas with the total of 53 million bu tied up. Possibly some people figure that if we have 200 million bu taken out of commercial channels, and if we consume 725 million bu at home, this would account for 925 million bu, so that together with some of the wheat held by government from previous crops we may not have such large quantities in the free reserve on July 1, 1951. This would be true, of course, if the quantities under loan remainedthere, but on the other hand there are just as many people with good, sound reasoning who feel that possibly half the wheat in our next carryover may be free. Thus there has been a substantial narrowing of the spread between May wheat and the new-crop deliveries, indicating that we may have quite a different situation at the end of this season from that which existed during the past six or seven years.

Possibly some of the strength today was due to a report that the Committee of the National Planning Association had urged the government to build up the nations grain reserves for emergency use in the event of World War III. It was stressed that we could not gamble on getting the same kind of weather in the 50's that we had in the 40's. It was also thought advisable that wheat and corn reserves should be built up not only in this country but also in England, Western Europe and Japan.

Wheat did not show the same strength that some of the other grains did, and we believe also that in corn part of the reason for buying was due to the car shortage, which makes loaded corn a desirable commodity. In any case, there was a fairly good demand, even though country offerings were heavier. We were told that some of the processors and actual users of grain in the Southwest had found better offerings of wheat. The flour demand was extremely light, with virtually no business reported over the week end.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

30 March 1983

[illegible] COMPANY

[illegible] 1-6282

[illegible]

January 2, 1931

[illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 3, 1951

Further moisture was reported over southwestern sections of the country, including some parts of the Texas Panhandle. They were lightest there, however, and moderate to rather heavy over other dry areas. Although some regard the recent precipitation as insufficient, nevertheless, it is rather peculiar about the barometer - sometimes after a long tendency of highs accompanied by dry weather, it takes a change of this kind before we get more favorable conditions. Some people with whom we have talked are rather encouraged that the outlook is improved, but of course, it will take more than just the rains and snows we have had to give us a crop, particularly as there was such a prolonged dry spell and in some localities they had virtually no moisture for 2 1/2 to 3 months. It looks as though fair weather were setting in for the Southwest tonight, with little change in temperatures, but possibly a bit colder.

The trade is paying more attention at the moment to the possibility of stockpiling supplies, not only in this country, but abroad. There was also a little bullish enthusiasm yesterday owing to the fact that the CCC had raised its offering price on No. 3 yellow corn by about 2¢ per bu basis Chicago. This, however, is customary as the carrying charges increase, but it was pointed out that the quantity offered in the current monthly period was down to 50 million bu, while previously that agency had been offering 100 million bu. It seems of little consequence just what amounts are mentioned, inasmuch as there are only moderate quantities being sold. Possibly the government is a little more conservative in making its commitments due to the complication of international affairs, and still some uncertainty as to next summer's crop: One thing, however, we do know and that is with the government encouraging the tremendous feeding of livestock we are bound to have a smaller reserve of corn at the end of the crop season next October; consequently, we are going to dip into governmen stocks. All this should not prove worrisome unless there should be crop failures during the next season or two; yet it should be borne in mind that with more than 152 million people in this country, all eating well, and fully employed, the consumption of meat is very great and that we are going to require more feedstuffs of all kinds in order to make ends meet.

When our market opened this morning the carryover feeling from yesterday was somewhat bullish, and there were higher prices in the various pits. Some new levels were reached and while there was a little hedging pressure it did not amount to much. Our own experience has been that purchases at country stations have been comparatively light, although other operators tell us that they bought a little more during the past two days, but yet the volume is not too impressive. While a new high was made for May soybeans that market has been a little indifferent during the past few days, possibly on the fear that ceilings may be imposed, and also, for the reason that processors seem to be a little more careful at present levels. The shortage of railroad cars is such that nobody is keen about making purchases in the country without having some idea as to when the grain can be loaded. At the moment the carriers are not making promises of any kind, and it may take quite a while before more empties are available.

Primary receipts of wheat today were 1,214,000 bu, practically the same as last week, and this compared with 596,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 15,000 bu.

There was some hesitancy during mid-session, but later on a buying spurt took all futures of corn and beans to new highs for the season. Rye was also very strong; a good many people apparently are buying on the fear that if ceilings are imposed there may be difficulty in covering commitments, or hedgers might even be locked in a position that would create discomfort. As long as markets are paying so much attention to outside factors and not so much to supply and demand conditions, it is difficult to figure out the future. Domestic flour business remains extremely light, with only occasional bookings here and there, but on the whole there is lack of interest. Wheat is the one item, in our opinion, which will finally feel the effects of redemptions and more grain being returned to commercial channels - this, of course, is all on the assumption that prospects for the next crop continue satisfactory.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4

January 4, 1951

Within the past twelve months the Commodity Credit Corporation asked for additional funds to take care of the price support program and loans, together with other requirements. It is our impression that they asked for an additional $2 billion, bringing the total to $6 3/4 billion in the event that large quantities of produce want under loan or would otherwise be accumulated through government agencies. Apparently high prices have brought about a different situation, with more grain going into commercial channels and less being impounded. According to the last statement of CCC somewhat less than $3 billion was invested in the support program and inventories at end of November. It was also stated that the Corporation had sustained a net realized loss of $100,281,000 in carrying out this program during the current fiscal year. This was less than half as much as the loss sustained the year earlier. Of course, with advancing markets and an opportunity to sell profitably for export, and also of putting some grains back into domestic consumptive markets, this is quite understandable. During the past five months most of the losses were realized on butter, eggs, grain sorghums, milk, potatoes, and wheat. All this brings to mind that if we continue to have high prices and possibly further advances, redemptions will be very large. Under these circumstances we feel that wheat in particular has less merit than some of the other grains. First of all, our consumption will not increase much over the 725 million bu that had been previously estimated unless the shortage of corn and feedstuffs would become so great that larger amounts of wheat would be fed to animals. This is hardly to be expected during the current crop season, particularly with the big carryover of corn. We have pointed out, and still believe, that we are going to dip rather heavily into our corn reserves, and therefore by the time we get to the next crop we may have 200 or 300 million bu less than the previous season, but yet enough to take care of our requirements, despite heavier shipments abroad.

Nobody knows at this time whether ceilings will be imposed. There has, however, been a good deal of buying in anticipation of emergency measures, and since shorts have covered rather extensively we regard the market in a weaker technical position than heretofore. The car situation could hardly become worse; in fact, some improvement should occur gradually, and this might relieve the strain on industries which have undoubtedly paid high premiums for cash corn because of the fact that movement from the country had been retarded.

There was nothing much in the overnight weather news. It will become colder over the Central States with temperatures closer to zero in some localities and quite cold Northwest, but there is little likelihood of any severe weather over southwestern sections, although at the same time there seems little prospect either of additional moisture right now.

There was one item that caused quite a little comment and also market activity today: namely, the heavy grindings of soybeans during the month of November. These were 22,799,000 bu, an increase of more than 3 million over the October figures and by comparison with November 1949, 17,138,000 bu. Apparently we are feeling the effects of the short cotton crop, which means that cottonseed oil is a relatively scarce commodity. The Chicago corn-hog ratio by last calculation was 11.6 compared with 11.1 the week earlier and 11.6 a year ago. Senator Gillette of Iowa stated that the Agricultural Department hoped that it would not become necessary to place price ceilings on meat and livestock products. However, the Senator said that he has sent Secretary Brannan numerous communications asking that consideration be given to ceilings on feeds, although the Department replied that most feed grains are now below their respective parities and it is not possible to put them under ceilings at current price levels. Chances are that all legislators will try to prevent ceilings for their own constituents while at the same time encouraging them for others.

There was a little better milling demand which is to be expected after dull periods but business at best could only be classed as fair to moderate. Export business also rather small but more PMA business should develop in the near future. Our markets were all quite strong at times but there seemed to be profit taking and best prices did not hold.

The CCC inventory of wheat at end of November was 285 million bu, a decrease of 12 million bu from the month before. If the present rate would continue they would finish with 200 million bu at the end of the season which might be their only holdings if sufficient redemptions take place and the impounded wheat came back in the free market.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 5, 1951.

Feeding of corn continues at a high rate and state agricultural officials have reported that corn was being used up rapidly as livestock feed. In addition to this the car situation is so acute in the Midwest that in two counties of Nebraska they are using coal cars and livestock cars in order to ship corn to market. We have felt right along that with a larger number of animals on feed we would probably cut into our reserve stocks to the extent of 200 or 300 million bu, but having had a large carryover last October, this in itself is not too serious except that it shows that with our large population and full employment, with people eating meat, we shall continue to use corn and other feeds in a much bigger volume than ever before. In fact, we may be facing a rather permanent feed grain shortage because it is necessary now to produce about 22 bu corn per person in the U.S. in order to have as much meat, eggs, butter, and milk as we want.

It was not surprising, therefore, that an announcement came from Washington to the effect that Secy. Brannan would probably drop all acreage controls on agricultural commodities with the exception of rice and one or two other commodities, which are apparently in balance. Under these circumstances, and with present high level of prices, it is altogether possible that if weather conditions are propitious we may have continuation of bumper yields, although nobody can ever be sure of that, and we have referred so often to the billion-bushel wheat crops that have been raised since 1944, and also the 3 billion-bu corn crops during that period with one exception when the crop turned out poorly. Such safeguards, of course, during periods of national emergency are quite proper, and it is entirely fitting that the Agricultural Department take the necessary steps to insure ample supplies of foodstuffs at reasonable costs. There have been any number of complaints about the high cost of living, and in fact, food which constitutes about 40% of our spending has gone up in such proportion as to cause great concern in many quarters. The BLS reported a rise of 1.2% in retail food prices between November 28th and middle of December. The price index was estimated at 216.3 of the 1935-39 average, which was practically an all-time record. There have been sharp advances since the Korean war started but aside from that, parity has been largely responsible for the condition in which we now find ourselves. If the wheat loan were reckoned now for next summer's crop it would be virtually the same as last year's loan even though the farmer is now asked to absorb storage charges.

We have figures now which show the approximate shipments of wheat and flour for the first six months of the crop year. These have been obtained through Broomhall so that together with the 5 million cleared last week, the total since July 1st amounts to 105 1/2 million bu. This compares with 169 million bu a year ago. It is not onlyinteresting to conclude that the amounts are far below those of the year before, but also, to calculate what may be a reasonable exportation for the entire season. Should there be no step-up in the shipments we would export only about 211 million bu for the entire crop year. This, of course, would give us a larger reserve on July 1, 1951. There is nothing certain yet about the crop for next summer. We note that the weekly bulletin from Oklahoma states that wheat was still in poor to fair condition. However, they add that the good showers in many sections at the very close of the week should cause a sharp increase in small grain growth, and thus improve the condition of the crop. It is very likely that similar comments will be heard from other sections that had the recent precipitation.

Primary receipts of wheat were somewhat larger at a little over a million bu compared with 1.1 million bu last week and 433,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 247,000 bu. When the visible supply is posted on Monday it will compare with a wheat shrinkage last year of 2.8 million bu.

Trade was somewhat smaller today than during recent sessions. Here and there some flour business was reported but the volume is still unsatisfactory from a miller's point of view. Apparently a good many of the larger bakeries are well supplied for the next three or four months. There was not too much gimp to corn and soybeans likewise did not manifest much strength but wheat was mostly firm after a weaker opening. Apparently there is not a great deal of pressure as had been expected after the turn of the year. Temperatures over the wheat belt are satisfactory; no further precipitation is forecast for the Southwest officially, but our weather man thinks by Saturday there might be some rain or snow in eastern sections of the Southwest.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

January 8, 1951

CHICAGO, 4

Sentiment in the grain market is a little more two-sided than it has been. This is probably due to steadily advancing prices even though a good many agricultural commodities are still selling below parity levels. However, the question of ceilings being imposed is always a possibility, although a good many are of the opinion that with the exception of meats agricultural products may not be immediately considered.

When our market opened this morning, it was influenced by export business in both wheat and corn. Three cargoes of No. 2 hard wheat were sold out of the gulf and also a cargo of spring wheat from the Atlantic, and we understood that at least two cargoes of corn had been worked out of Baltimore and two from the gulf. This was all business presumably with the U.K. but in any event there were a good many hedges lifted, and for a time speculators who wanted to even-up their positions had no difficulty in making sales. According to the Southwestern Miller corn futures in Chicago have recently come within 4¢ a bu of potential ceilings, but some doubt apparently has been expressed by agricultural officials that the market will penetrate maximums based on greater willingness of CCC to sell its corn stocks. The Agency's domestic price for January is 17¢ over the 1950 loan or prevailing market. Certain officials pointed out that they were prepared to offer and sell up to 50 million bu per month, whereas only 350 to 400 million bu at the extreme top leave farms each year for commercial purposes. Thus there may be some logic to their reasoning, despite the fact that feeding operations in the country are enormous with this cold weather and also the large number of animals in comparison with other years. The Federal Reserve Bank of Chicago believes there is growing concern that shortages will develop in some areas, as livestock production expands further while export and industrial requirements rise. Consumer expenditures for meat in the last quarter of 1950 showed about the same percentage increase compared with last year as the expansion in disposable income.

There was nothing special in the overnight weather except that a cold wave has gripped the country, and apparently has extended as far South as Florida. Temperatures in our Southwest, while a little below seasonal, are not too severe, and chances are that by Wednesday we shall have warmer weather for all sections of the country. Meantime there is not much chance for any precipitation in Kansas, Oklahoma, or Texas, and for that reason July wheat still stays at a fairly small discount under old-crop positions.

When the visible supply of wheat was posted there was a decrease of 2.1 million bu. Total stocks in all positions are 211 1/2 million an increase of 19.8 million compared with last year. Corn decreased slightly over a million leaving 55 1/2 million in all positions compared with 47 1/2 million last year. Oats showed an increase of 286,000 bu to a total of 15 million bu, just a shade less than was on hand a year ago. Chicago wheat stocks decreased 434,000 bu but there is still nearly 9 million in this market together with 270,000 bu afloat. Locally corn stocks increased 626,000 bu to a total of 12.8 million bu. Oats stocks here increased 137,000 bu to a total of 1.8 million bu. There is still more than 5 million rye in Chicago together with more than a million afloat and a small quantity in bond, Beans increased 115,000 bu to nearly 5 million.

At noon the President addressed the Congress on the State of the Union and said that we were preparing for full mobilization if it should become necessary. He defended big military buildup as the only realistic road to peace. While willing to negotiate an honorable settlement with Russia, he was unwilling for appeasement. There was no mention made of farm prices in his message although this may be discussed in the economic report which follows. Following his address all markets became very strong. Several futures of corn sold at highest prices of the season while May wheat touched the previous high. The flour business generally was draggy and there does not seem to be much interest from bakers, in fact, a good many of them are hoping for recessions before coming into the market on a big scale. Nevertheless, speculative buying dominated the wheat market.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.
CHICAGO, 4

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

January 9, 1951

The carryover feeling from yesterday was quite bullish owing to the fact that the President had ignored completely the question of ceilings for agricultural products, and there was no discussion as to any action that might be taken if parity prices were reached. In addition to this there must have been quite a little export business overnight. Coming on top of what had taken place yesterday, this found the pit rather bare of offerings until old-crop futures had gone into new high ground for the season. There were also highs recorded early for all corn futures except the September delivery, while all futures of beans and rye likewise made their seasonal highs this morning. While it was only a short time ago that we were discussing the possibility of surpluses cropping up again, the question of a third World War changed public psychology completely. This morning Senator Ellender, Chairman of the Senate Agricultural Committee, said that he was calling his group together next week to study methods of increased output of vitally needed commodities. We presume that he had mostly cotton in mind, and actually with the crop failure in the South and the heavy consumptive needs, cotton is a rather outstanding commodity. But the Senator called attention to the fact that his Committee was thinking of direct subsidies and payments to encourage production and livestock raising, a method that had been employed during World War II. The Department of Agriculture is hoping that farmers will step up their output for virtually all commodities except potatoes, and with the chances that farm labor will get tighter it may not be so easy to reach the new goals. Senator Aiken claimed that what the farmer wants now is to be left alone, adding that such a course is the best way to secure abundant production.

Meantime, we continue to subsidize exports, and in some cases are selling on liberal credit terms. At the moment a campaign is under way to obtain from Congress appropriation for food relief to take care of the distress in India. That country has indicated the need for 18 million bu wheat and 30 million bu grain sorghums. These quantities to be in addition to 650,000 tons milo, which has already been negotiated, and of that quantity about two-thirds has already been shipped. Under these circumstances it was not surprising that we should have higher markets this morning, although it appears to us that finally redemptions of wheat will become muchheavier, and eventually we ought to have very heavy stocks in the free reserve.

In contrast to the high prices that are obtaining in this country for agricultural products, there seems to be great dissatisfaction in the Argentine with respect to government policies. These have again come into prominence as a result of a recent decree granting increases in wages to farm workers without giving the proper compensation to the farmer. The writer, who visited that country a year ago, remembers distinctly hearing from direct sources of the ever-increasing costs of raising wheat, corn, and other cereals, and this is particularly true since imports of agricultural machinery are greatly restricted, if not prohibited, so that advances to labor become very costly, particularly when there is no commensurate increase in the commodities which the producers have for sale. In many instances this has driven the farmer into feeding operations rather than to sell his crops at unsatisfactory prices.

Broomhall's Foreign Crop Summary states that soil conditions over most sections of the European Continent continue favorable, although weather has been changeable, which may result in some damage. Temperatures have moderated in France after a cold spell and snow, but the latter has blanketed most of the country and moisture is abundant. Efforts are being made to increase corn acreage and experiments with hybrid seed have been very satisfactory.

Some of the overall theories of what might happen in changing political conditions may be overshadowed by realization that we have had a substantial increase in price, and history records that normally at this time of year we often get declines in grain prices. The country is selling grains in a more liberal amount even though there is not much pressure. We understand that soybean processors have been getting larger amounts of beans from first-hand sellers, and recent export business in wheat has come principally from free markets rather than Commodity Credit sales. Through this procedure export sales have necessitated purchases of futures in the pit, which has currently added some buying power to the futures market, but on the other hand if analyzed more closely it is actual country selling supplying the grain.

Primary receipts were 1,155,000 bu compared with 2 1/2 million a week

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

ago, which day, however, included the long New Year's holiday.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 10, 1951.

There was not much grain news overnight. For the last few days export business to Britain has been extremely heavy, although we believe that it was on a more moderate scale today. Very often when this buying takes place it lasts for a period and then subsides, so that we expect that this same pattern will be followed. Included in the business has been some red wheat at the Atlantic Seaboard but the premiums on this class of wheat have declined a little instead of advancing, which is quite surprising except that more wheat is probably available at the advanced levels, and we also believe that redemptions in the Southwest are on a heavier scale. There is no way of coming to definite conclusions until the government gives us figures except that we hear in various territories that a little freer selling of country wheat has taken place. There is also reason to expect that impoundings during January will be comparatively light, and, therefore, we have cause to suppose that when the season ends there should be a fairly large quantity of wheat in commercial channels, and our reserve should be a big one unless there should be extra quantities of wheat fed to livestock. Some people will probably claim this to be a possibility, particularly if our corn stocks show a heavy reduction in comparison with last year.

As offsets to these factors which have given bullish impetus to the market, we have to face other realities; namely, higher interest rates and tighter money throughout the country, with the likelihood that the public will have to carry more grain as it is now more costly with the present high level for elevator concerns who are borrowing money from the banks. With this in mind it looks altogether possible that the market is on a more debatable basis, and a good many traders are somewhat more cautious in making new commitments.

There is still no likelihood of any appreciable moisture in the Southwest. There may be some light rain in southern Illinois and Missouri but nothing of importance for Kansas, Oklahoma, or Texas. Those sections are in for fair weather tonight and Thursday with slightly lower temperatures.

Crop news from Europe is a little less optimistic owing to the fact that there have been thawing and freezing temperatures, although the moisture situation is generally satisfactory. The Italian wheat crop, according to Broomhall, is now estimated at 278 million bu compared with 275 million bu a year ago and 250 million bu in 1948. The crop raised last summer was just about average as compared with the immediate prewar years.

It will be somewhat difficult to properly evaluate the government's report on farm stocks this afternoon. If there should be any shifting from the supplies held on farms to steel bins it would naturally show as a reduction in farm stocks, but then we cannot ascertain until later in the month how the total supplies count up as we have yet to receive a report on corn in all positions. A year ago between the 1st of October and the 1st of January there was an increase in corn located in CCC bins, from 67 million bu on the former date to 248 million bu the first of the year. We do not expect any such increase this year but in any case there has been some shifting and thus today's report will not be conclusive.

Primary receipts of wheat were 572,000 bu compared with 1,214,000 bu last week and 415,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 44,000 bu.

Today was the calendar day for selling wheat. While the so-called "Voice from the Tomb" does not always work out, at least there is some definite reason for this particular period often being the one when lower prices may be expected. Southern Hemisphere pressure becomes more of a factor, and many of the domestic mills close down for inventory, but we are not sure to what extent either of these items is true at the present time. The milling trade is not particularly active, but we believe the price level has as much to do with it as anything else, and some of the larger bakers are awaiting for better opportunities. Nevertheless, a good many of the actual users have pretty good stocks on hand, and we believe that due to the fear of possible ceilings many have anticipated their needs further ahead than they ordinarily would. Prices were somewhat lower, but there was no great amount of selling. There was, however, a more cautious feeling all around, and even corn closed somewhat lower, which is quite natural after the sharp advance which we have had.

The Kansas weekly report was a little more optimistic on crop prospects, but the bulk of the wheat is still dormant, and therefore it will be some time yet

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

before we can tell how much improvement has occurred since the recent precipitation was received. There were further ECA allocations to Austria and Germany, but this failed to attract much attention.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 11, 1951.

There was some more export business overnight, several cargoes having been reported as sold from the gulf. This required the covering of hedges, and for the first few minutes we had rather firm markets. Part of the early strength may also have been due to a statement from Washington that the government had dropped the idea to curb wages and prices at this time, claiming that there was not the organization to properly police the job. The trade also had in mind the farm reserve figures, which were issued late yesterday, and which showed as much wheat back on farms as we had a year ago. We find that farm stocks for the four Northwestern states are 153 million bu compared with 127 million last year, or an increas of 26 million. With the exception of the wheat that is owned by CCC, which in our opinion is relatively small, we believe that most of the stocks of spring wheat must comprise a free reserve at the present market level. This does not mean that all of it has been redeemed, but at least it could be sold for a higher market price than the loan, and, therefore, we must assume that finally it will come back into the commercial supply unless we should have a sharp break and certain producers would overstay the market. In view of the fact that half the spring wheat is still on farms, one of our good friends thinks that this is a convincing argument to believe that the crop may have been underestimated. We shall probably hear more of that when the final story is written.

Our wheat and flour exports during the past week were close to 4 1/2 million bu, which brings the total for the seasonto 110 million and would compare with 173 million a year ago. It remains to be seen whether the government's goal of 250 million bu will be reached. Over half the season is already accounted for, and clearances are somewhat disappointing, although there may be some increase when the next weeks' figures are tabulated due to the heavy takings by Britain. This is the season of the year when Southern Hemisphere generally becomes more important in the export field. During the last fortnight Australia shipped 3.2 million bu wheat, bringing the total to 113 million bu since January 1, 1950. This compares with 116 million bu for the previous year. There still is left for export and carryover 40 million bu compared with 30 million bu the previous year. Broomhall expects that shipments from farms during 1951 will be 177 million bu compared with nearly 203 million last year.

The U.S. Department of Agriculture estimated farm stocks of corn on January 1st at 2,161 million bu, and claimed that farm supplies of feed grains were larger than in all but three other years of record. The deductions to be made from their figures are that the corn consumption during the last quarter was no larger than last year, despite more animals and low temperatures. The six-month disappearance of oats was 748 million bu compared with 775 million bu the year before, but barley for the same period showed a disappearance of 193 million bu compared with 189 million bu the year before. This was regarded as somewhat bearish and we heard that one of the leading corn elevators in Chicago had dropped their to-arrive bid by 1¢ a bu, bidding May price for old corn and 2¢ under for new corn. However, others continue to bid about 1 1/2¢ higher for equivalent grades.

Primary receipts of wheat were 1,169,000 bu compared with 760,000 bu last week and 792,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 37,000 bu.

Trade was not heavy but it was a little more mixed than heretofore. July wheat was weaker than the old crop futures possibly for the reason that the official forecast indicates some moisture for parts of Kansas. Our own weatherman is not too optimistic but we feel that until a good soaking rain or moisture in some other form occurs Southwest that the market may not break too much.

Corn was weak at times but rallied partially. We find that according to the government figures the corn stocks in Illinois are 317 million bu compared with 388 million bu last year. Iowa has 371 million bu on farms compared with 469 million bu last year. Nebraska 211 million bu versus 195 million bu a year ago. Ohio 125 million bu vs 139 million. While farm stocks of beans were larger than last year, this was expected as the crop was so much larger, and, therefore, little attention was paid to this feature. Flour demand throughout the country is rather slow; mills are reporting some business here and there but no big volume seems to be developing.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, January 12, 1951.

Washington is intent on building up big armament into our economy on a permanent basis without disrupting civilian life too much. While there is bound to be a manpower shortage probably the administration is more concerned with the basic shortage in metals, and to that extent civilian usage will be cut. For the time being, at least, business interests are looked to for mobilization of industry, and Charles Wilson, Mobilizer, is to have final decision on any basic policy issue; in fact, it is he who will decide the timing and extent of controls. Meanwhile there are many rumors with respect to ceilings and when they may be imposed. While a day or two ago it was decided that nothing would be done immediately for the reason that there was no organization to properly police these controls, it is generally felt that within six or eight weeks we may have a drastic change in our over-all economy.

When our market opened this morning it was influenced by both bullish and bearish news. There are several chances of moisture developing in the Southwest. Two lows might bring precipitation either tonight or tomorrow; if one fails, the other has a chance of bringing results. This is confirmed both by the official forecast and by our own weather man, plus the fact that the five-day forecast is somewhat more optimistic, indicating some precipitation averaging from light to heavy over a good many sections of the winter wheat belt. Should this precipitation occur it will probably start in the form of rain turning to snow. Ordinarily something of this sort would have had an adverse effect on the price level, but there was further export business, and several cargoes of spring wheat were reported sold for first half March shipment. There was also talk that the U. K. had purchased several cargoes of corn. This required the lifting of hedges in the pit, and one house was quite prominent in buying March, May and July futures, probably against this business.

The Argentine government has estimated the wheat crop at 222 million bu compared with 189 million bu last year and 234 million bu, the average crop during the period 1940 to 1944. The quality of the new crop is described as medium to good. Exports from that country have not really started in earnest, and last week only 1.2 million bu cleared, and since the first of January about 2 million bu compared with 3 million bu a year ago. Chances are, however, that as time goes on Argentine shipments will become quite important, and the increase in crop as compared with last year almost offsets the poorer Australian crop as compared with 1950. The new corn crop in Argentina is making good progress but the acreage is not particularly heavy. Generally speaking, production should be well above last year, which is not a particularly good showing as last year's results were so very poor.

Black Sea shipments during the week were 1 1/4 million bu covering various feed grains destined for Britain, and in addition over a million bu of grain was dispatched to destinations on the European Continent. Those ports have cleared 12 3/4 million bu since August 1st compared with 21 1/2 million bu a year ago.

Primary receipts of wheat were a little less than 1 million bu, about the same as last week and compare with 724,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 174,000 bu. When the visible supply is posted on Monday it will compare with a decrease last year of 1,877,000 bu.

Mr. Truman presented his economic report at about mid-session, and stated that the first principle to be observed is a balanced budget, and that we should finance ourselves on a pay-as-you-go basis. As for prices, he stated the general policy must be to hold the line with utmost vigor. He figured that tax increases would have to be much heavier than the two increases we had during 1950, and specifically mentioned higher levies for both individuals and corporations. General economic stability, he stated, must be achieved as rapidly as possible by broad expansion of wage and price controls, and he asked powers in the Department of Agriculture to strengthen its regulations of commodity exchange in order to prevent excessive speculation in farm products.

Right after this news became public, markets had a rather sharp break, but there was likewise a reaction which carried cornprices to a higher point than earlier. In fact, corn which had been so weak yesterday assumed leadership this morning. Flour business is extremely light, inquiry is limited, and apparently nobody has too much confidence in the market. We must not forget that while the crop is not yet made that the December 1st indications were for the third largerst winter wheat

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

crop on record. Furthermore, the acreage seeded last fall was over 56 million bu, or 17% more than the 1939-48 average.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 15, 1950

The trade still has in mind many inflationary factors, which have carried the stock market to a twenty-year high, while most commodities and even those in ample supply have shared pretty well in the recent advance. Some of the early commentators talked about the measures that might be proposed for bringing in more tax money, and this may have had a somewhat stimulating effect on our grain market when we opened this morning. The moisture which was received over the week-end was good in some sections. Oklahoma had several points at which 1/ 2 inch moisture was reported. They also had some good snows in western Kansas, although some of these had already been known last Saturday. Besides the Texas Panhandle was benefited although probably not more than 1/4 inch moisture, which came in the form of snow, 1 to 4 inches for both North and South Plains but somewhat heavier North and East of Amarillo. The trade may have been a little disappointed in that central and eastern parts of Kansas were not favored, and this together with a temporary stalemate in the Korean news may have had something to do with early firmness of the market.

Even though Russia finally opposed the "cease-fire" proposal, there still is the possibility that the Chinese may agree to a temporary truce. Regardless of their victories due to an overpowering land army, they know they are beaten in the air and that if we ever start bombing Manchuria the suffering will be intensified as they have experienced heavy losses due to our air superiority.

For the time being there seems to be a little more caution expressed in the market, and meanwhile the heavy export business which featured last week's market was not noticeable in today's session. For that reason fewer hedges were taken out of the pit, and altogether longs in wheat were a little more on the defensive.

The U.K. bought 1 1/2 cargoes of corn for first half March shipment out of Baltimore. This presumably was handled on a sterling basis. Cash corn in Chicago has been ruling rather weak and the early basis today was said to be unchanged at 1 1/ 2¢ under May. Broomhall claimed that the Argentine government had agreed to pay farmers an additional 2 1/2 pesos per hundred kilos for delivering their new grain to elevators at the seaboard. This apparently was done as a token measure to bring the wheat and other grains forward and to take care of higher labor and shipping costs. In view of the advance it raises the price of wheat to $1.66 a bu whereas previously it had sold for only $1.52 1/2. Other grains were up in proportion, the advance in oats amounting to a little more 7¢ per bu, while rye advanced to $1.19; it previously had brought only 106 5/8. Corn was not included in the program owing to the fact that the new-crop is not yet ready for market.

At about mid-session the President gave his budget message to the Congress calling for expenditures of $71 1/2 billion. Against this he claimed that receipts based on present taxation would amount to $55 billion leaving us a deficit of $16 1/2 billion. However, he will ask for higher taxes early in February totaling somewhere between $16 and $20 billion. In other words, he continues to desire a better balance on a pay-as-you-go basis.

As for agriculture he feels that expenditures will decline from $2.8 billion in 1950 to $1 billion in 1951, and $1.4 billion in 1952. This change he said was due chiefly to decreased outlays for supporting of farm prices. Farmers are being asked to produce the biggest food and fiber crops in the history of the country. Mr. Truman pointed out that our government is going deeper and deeper into the building of storage space. For example, during 1950 we increased the capacity by 409 million bu. He believes that the CCC will be required to purchase bins and other space having a total capacity of 225 million bu in 1951, and 100 million bu in 1952, so that nearly $79 million will be spent for that project. In addition, loans for construction and storage facilities will be needed. He also feels that a production payment proposal such as was sponsored under the Brannan plan is needed in order to permit surplus perishable commodities to move more easily into consumptive channels.

The message was construed as somewhat inflationary as a good many people have their doubts as to whether we are going to collect enough additional money in taxes to meet the higher expenditures. There was also some covering of hedges by a leading export house, so that rather strong markets were recorded following some easiness in the early trade. Building of huge warehouse space as recommended was also regarded as temporarily bullish if grain were stockpiled and withheld from the market.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-5282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 16, 1951

The market yesterday had responded in quite a bullish manner to the President's budget message, which first of all was regarded inflationary for the reason that quite a little doubt was expressed that we would ever be able to get taxes to a point to fully compensate for the additional spending which would take place. After all, expenditures of $71 1/2 billion in so-called peace time is a huge amount of money. There is always the fear that if we should become involved in a third World War that our obligations would increase heavily. This morning the news was quite a little better, and informed quarters in London stated that communist China might accept U N proposals for a temporary truce with certain reservations probably to be demanded. First, that communist troops would remain in their present positions in Korea during such a conference; secondly, that a Korea cease-fire order shall take effect simultaneously with the start of peace talks not before them at this time. The optimistic note was that the Chinese seem more willing to accept proposals from the U N political committee than from its three-man cease-fire committee, which Peking had contended was not representative. Premier Nehru of India also came into the picture offering his good services to bring about world peace, but called attention to the fact that China had become one of the great world powers since World War II, and that she was not properly recognized by certain nations at this time. He thought that present negotiations might be much bigger than a mere proposal for a peace conference, and apparently had in mind that China might be permitted to enter the U.N. He claimed that no question could be settled until the New China would be fully recognized; he brought up the point that there was no sense of trying to settle all world problems with China excluded, as the latter was one of the biggest countries.

In view of these developments our market reacted this morning, despite the fact that there had been no further moisture Southwest, nor is any indicated as far ahead as we can see. There has been further moderate relief, and no doubt condition of crops has improved, but there are still many dry areas, and in view of the two or three months of drought it is going to take more than the usual moisture to give us a big crop.

Export business, which had been rather extensive lately, was less; and judging from the number of hedges covered, it was not much of a factor this morning, and we saw little evidence of buying in the early trade.

Broomhall's Foreign Crop Summary reported crop conditions as mostly satisfactory over Europe, although there have been alternating frosts and thaws in a numbe of places, but damage he figured could not be ascertained until later. However, moisture supplies over all of the Continent were good, and actually in a few areas excessive. Moisture is also abundant in the U. K.

Primary receipts of wheat were 757,000 bu compared with 1,155,000 bu last week and 675,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 84,000 bu.

Wheat prices were never very strong; in fact, they barely got up to the previous close even on the early bulge. Later on there seemed to be some profit-taking following yesterday's sharp advance. Soybeans took the lead today and at one time were very strong in sympathy with higher oil prices generally. It was reported by one reliable authority that several thousand tons soybean meal had been worked to Japan and also that 2,000 tons hydraulic soybean cake was sold for human consumption, all of which attracted attention. Corn was inclined to be weak under the leadership of wheat, although there was no particular pressure from the country. We understood that the British Ministry was not operating today, and for that reason no further purchases were possible.

Receipts in the Southwest were lighter but there was no particular pep in cash markets and the milling business is more or less a hand-to-mouth proposition We have not heard of any pressure which ordinarily comes to the market at this time due to the movement of Southern Hemisphere crops. However, this may develop gradually. Yields in the Argentine were somewhat better than earlier expections but yet moderate in comparison with prewar figures. Nevertheless, there seems to be a little more inclination on part of the Peron government to get supplies into consumptive channels. March wheat in Chicago lost ground on the May delivery.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, January 17, 1951.

The newspapers this morning carried information from Washington that the Federal Reserve Board had increased marginal requirements on stock transactions from 50 to 75%. This had some influence on securities, which opened before we did, but apparently it carried even greater weight with grain traders, who are mindful of the fact that our recent advances have been rapid. There was considerable selling at the opening, which carried corn prices as much as 3¢ per bu lower, and for a few seconds new buying was rather impotent.

There is a chance that we shall get some additional moisture in southern Illinois, also the extreme eastern sections of Kansas and Oklahoma, but the areas farther west will probably not be included. It was also felt that the market had not responded too well to all the recent export business. It seems that about 3 million bu wheat had been sold to Mexico, which accounted for the heavy covering of hedges during the past two days by a single export house. At the moment other business seems to be more or less quiet.

We have not changed our ideas as to the ultimate clearances for the entire season. First of all, we are still bearing in mind that the world wheat crop in 1950 was above prewar average. It was estimated at 6.4 billion bu, which with the exception of the unusually favorable world harvest of 1948, was the largest wheat crop reported since 1938. It was about 6% larger than the prewar average in the years 1935 to 1939. While it is true that the biggest increase over prewar was in North America and Asia, yet we must face the fact that even European imports have fallen off, and we now have some figures for the calendar year 1950, showing that total clearances from all exporting countries were only 663 million bu compared with 893 million bu the year before. With the exception of Argentina, which was not a member of the International Wheat Agreement, all countries shipped less. Argentina shipped 36 million bu more than in 1949, while the United States was down 175 million bu from the year before, other countries having declined only in a small way, with the exception of Russia, which cleared about 30 million bu less. There was only a minor decline for Australia and actually their season ended November 30th at which time there was still 47 million bu old wheat on hand, which was the largest carryover since 1944 when they had a reserve stock of 76 million bu. Thus with the prospective crop of 186 million bu, which is smaller than was earlier anticipated, and the old wheat, that country should have nearly 150 million bu available for export, which is 50 million bu greater than the average pre-war exportable surplus.

Taking all this into account we see nothing to inspire buying in wheat based on export prospects. We feel certain that if there had not been the unusual foreign demand in the post-war years when billion-bushel crops were raised, we would have had a surplus problem at home. The thing to be watched at the present time is the possibility of a shorter wheat crop next summer, but even there nothing is indicated at this time to cause worry. However, we shall need more than the usual amount of moisture to bring about the best results.

Primary receipts of wheat were 678,000 bu compared with 572,000 bu last week, and 696,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 8,000 bu.

At about noon Chicago time word came from Tokyo that China had rejected the latest U N offer. It was stated that the 5-point proposal for peace in Korea and other Far Eastern issues was impossible. The Foreign Minister of Red China, the author of the reply, stated that the purpose of the "Cease-fire" proposal was merely to give the U.S. forces a chance to rest. There was, however, a counter-proposal offered; namely, for a 7-nation conference to discuss Korea and all Far Eastern problems in China, with Russia, Britain, the U.S., France India, Egypt, and Communist China to participate. However, a stipulation was added --that all foreign troops must be withdrawn from Korea.

All markets had a very sharp rally, and early losses were wiped out. While there was quite a sharp covering movement, most of the strength in wheat was in the new-crop futures, with July and September gaining ground on the May delivery. There was more talk of price and wage ceilings that might be announced within the next five or six days, and even possibility of rollbacks in certain lines to January 1st levels. Possibly Mr. Wilson may throw some light on the subject tonight when he makes a radio address in Philadelphia. Flour business was even poorer than it had been running lately, so there was no particular encouragement from that source.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

[illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 18, 1951

There was no moisture in the Southwest although not much had been expected. Yet the 1951 wheat production outlook has been improved by precipitation which was somewhat inadequate, but as the Southwestern Miller points out, even the meager amounts of snow and rain have revealed anew the great recovery powers of the wheat plant from prolonged dryness. As a result marketings of wheat country selling has been at a more liberal rate, reflecting hopefulness amongst producers that next summer's production might still be quite good. Meanwhile, we have reports that heavy widespread rains occurred in the Northern part of India this week, and that the outlook is vastly improved.

Not much attention is paid to these factors. Actually the market has been more or less a day-to-day affair, following the trend of news from Korea or other international developments, such as occurred yesterday. As soon as it became known that China had rejected at least a temporary truce those who were short scrambled to even-up commitments, but by the same token this weakened the technical position of the market, and in turn there was not much buying power this morning.

U. S. wheat and flour exports during the past week were only 3 1/2 million bu. This brings the total since July 1st to 113 1/2 million bu compared with 177 million a year ago. Corn exports last week were quite heavy and amounted to 3 1/2 million bu, and since the first of November they have totaled nearly 21 3/ 4 million bu compared with 40 million last year. No soybeans were shipped during the week but since November 1st, 8 million bu was cleared compared with 3 million the year earlier. As for wheat there may be periods when the volume increases because Britain very often makes its purchases within a five or six-day period. However, shipments are spread out over a period of time and very often they buy as far ahead as three months. It is quite possible that they have contracted for all the supplies needed to the end of March. If this is the case there will only be the last quarter to take care of and we mention Britain so often in our market letters because prior to the war they imported about half the wheat that Europe needed. Some had thought that due to the poor quality of Canadian wheat the demand from here might be heavier, but we are somewhat doubtful that this will be the case, or at least in sufficient volume to step-up our seasonal shipments beyond 225 to 250 million bu, which now appears to be maximum. There was a cargo of corn reported sold to the U. K., first half of March shipment, from Baltimore, but not much evidence of hedges taken out of the pit; in fact, corn opened somewhat lower even with the higher opening for the leading cereal. The Chicago corn-hog ratio has not changed much from week to week. It is now 11.5 compared with 11.3 a week earlier and 11.4 last year.

In discussing foodstuffs one hears relatively little about vegetables, which, nevertheless, constitute an important item in our diet. Commercial production of twenty-five important truck crops for the fresh market in 1950 was 8% larger than in 1949, and second only to the record production in 1946. The largest tonnage increase was shown by cabbage, followed by onions, lettuce, and carrots. The supply of both potatoes and sweet potatoes is larger this winter than last, and they are selling at prices substantially lower than last winter. Strangely enough, a sizeable quantity of the crop each year is not sold but is used on farms where grown or else disappears as shrinkage and waste.

Primary receipts of wheat today were 931,000 bu compared with 1,169,000 bu last week, and only 543,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 209,000 bu.

Trade was a little more on the quiet side, but receipts were fairly liberal in the Southwest; the cash market there was unchanged, but there seemed to be a little better inquiry from bakers, but nothing very important. Very likely after the long dull spell there will be some improvement, but g enerally speaking buyers are waiting for further recessions. Beans kept rather firm all day, but yielded a little ground at times when wheat futures declined. There was not too much activity today, but in our efforts to sell cash corn we find that a good many buyers have bought ahead, and for the moment demand is quite poor.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 19, 1951.

Our whole economy is undergoing such a vast change that it is difficult to evaluate the consequences with any degree of certainty. Price control is due within six weeks; it will be selective and broad and may come even sooner. The government proposes to spend $71.6 billion during 1952, and if Congress approves it will require federal taxes amounting to about 30¢ of each dollar of the national income. State and local taxes exceeding $16 billion will take another large chunk of the income dollar. Beyond 1952 much larger sums may be required, and thus there is no end in sight. Chances are that a tax increase of $16 to $20 billion will not be voted. A compromise of $8 billion seems more likely and would cover half the estimated deficit. Corporation taxes will go up again and may reach 55%. Altogether the effective rate of tax, including federal, state, and local, on corporations might then amount to 63% on the average, and thus there will be some "belt tightening" with companies taking only business that looks extremely profitable. In some cases the incentives will not be great enough to induce the risks involved; so the national income may finally decline, as has always been the case in other countries when taxes reached a level that brought about curtailment of business activity.

Before our market opened this morning there were some forecasts of rain or snow for the Southwest, and while we shall probably have some moisture, our own weather man is not too optimistic based on his reading of the map. The five-day weather outlook dealing with Missouri, Kansas, Nebraska, and Oklahoma said that temperatures would average 2 to 5 degrees below normal in Nebraska, near normal in Kansas and Missouri, slightly above in Oklahoma. Elsewhere nothing much is looked for. The precipitation is expected in the form of rain or snow in the south sections, mainly Saturday night and Sunday, but beginning in Nebraska Saturday with snow in the north.

This had very little influence on the market, nor did the repeated stories from Washington bearing on possible price controls have much effect, probably for the reason that a good many people figure that agricultural commodities will not follow the general pattern. In fact, Mobilization Director Charles E. Wilson declared that price controls must be imposed but that ESA ceilings on grain and flour are not considered imminent. One consultant is said to have thought that two months may elapse before grain and flour ceilings are imposed.

Meanwhile export business has become dull again. Even Canadian wheat and flour shipments are not large and amounted to only 2 3/4 million bu last week and since August 1st totaled 92 1/4 million compared with 112 million a year ago. Imports of wheat and flour into the United Kingdom for the first four months of this crop through November amounted to 42 1/2 million bu compared with 63 1/2 million bu a year ago. Possibly high freight rates in addition to high prices for commodities have something to do with the situation. The freight rate from gulf ports to Liverpool before the war amounted to 3 shillings, 6 pence per quarter equal to 10 1/4¢ a bu. At the present time ocean freights from the gulf are 50¢ a bu, or about five times as much.

Primary receipts of wheat were 787,000 bu compared with 974,000 bu last week and 653,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 188,000 bu. When the visible supply of wheat is posted on Monday, it will compare with a shrinkage last year of 5,854,000 bu.

Trade was reasonably active. Flour business continued draggy and most of the mills, according to the Southwestern Miller, are experiencing the poorest run of sales in some weeks, only scattered small lots for current shipments. Even replacement buying is less active. However, ECA made further allocations with $11 1/4 million going to Austria and Germany for wheat to be purchased by end of April, shipment by July 30th. This had a stimulating effect. In addition, corn and beans were very strong. There seems to be very little pressure from the country, although we heard that Iowa was evidently marketing a large volume of beans. One commission house told us that they had purchased 25 cars during the past few days. There is, however, some export inquiry for beans. CCC yesterday bought 1/2 million bu at Kansas City and might have bought more today except that we understand price offerings were too high. The government is undoubtedly selling some cash wheat to exporters. This puts hedges into the pit from time to time but apparently offsets in the way of speculative buying had more influence and the close was quite strong.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

The five-day forecast also looks for precipitation of 1 inch in eastern Missouri and 1/4 to 1 inch in Nebraska, western Missouri, northern and eastern Kansas, also eastern Oklahoma.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.
CHICAGO, 4

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

January 22, 1951

No action was taken over the week end with respect to price controls, but unquestionably it is just a matter of time before these will be imposed. It is generally felt that a continuing rise in price would not only add to the cost of living, but also to the cost of armament efforts, and would have far-reaching effects all along the line. It might encourage hoarding, reduce the purchasing power of savings further, penalize many people whose incomes have not gone up proportionately to higher living values. Finally, anyone who had saved money and who had to live on a more or less fixed income would be adversely affected, as has already occurred to a good number of persons who considered that at the time of retirement they could spend their remaining days in a fairly comfortable manner. In this uncertainty, the government has turned again to direct price controls, and the decision is not only a momentous one, but will have to be worked out in such a way as to cause the least number of hardships on business in general. The basic weakness, of course, is that any arbitrary measure adopted at this time may not prove effective; and, secondly, it does not deal with the symptoms of inflation at the source. It is natural to expect that during any armament program prices would rise, and particularly when the spending is on such a huge scale that goods and products are accumulated over a short period.

The only real way to deal with inflation at its source is to absorb the excess of income through taxation, and to reduce the excess of spending by saving and to restore the expansion of money supply by appropriate monetary and credit policies. Some of these latter measures have already been seriously considered, and the President has repeatedly asked for higher taxes so that the war could be financed on a pay-as-you-go-basis, with the further assurance that more money would be taken from individuals to prevent private spending for scarce supplies, and thus prevent pressure for additional goods and services.

Chances are that before this big step is taken to control prices, a careful study and survey will be made. It was hardly thinkable that Mr.Eric Johnson would have taken action over the weekend, as so many people had anticipated. All this has had a tendency to create more buying power in the markets, particularly as it has been regarded unlikely that agricultural products would be immediately considered in the general scheme of things. It has probably induced farmers also to hold on somewhat more tenaciously to what they have left, and we find that pressure from first-hands is very light, although as prices have advanced there has been some selling in the country to take advantage of the higher level. Naturally rigid price controls deprive the economy of the guidance which free price fluctuations give to production and distribution, and there is a general disturbance in the freely changing relationship under which our economic system functions best. While there will probably be both advocates and critics of war-time price controls there can be little doubt but that the public in general has demanded something be done to retard the upward spiral. The great strength of this country is in its production; therefore, we look for unlimited acreages for agriculture in the years ahead. Reasonably high prices, by the same token, are needed to supply an incentive to bring about the best results.

When the visible supply of wheat was posted it showed a decrease of 2 1/2 million bu, leaving total stocks 206 3/4 million bu in all positions, compared with 184 million bu last year. Corn increased nearly 2 million bu to 59.3 million bu; this is an increase of 13.3 million bu over a year ago. Oats stocks increased 380,000 bu, to nearly 15 1/2 million bu against approximately 15 million bu last year. Chicago wheat stocks decreased 806,000 bu, and this may possibly be shifting of CCC stocks; it leaves 8.8 million bu in Chicago. Our local corn stocks increased 783,000 bu, which gives us a total of 14.3 million bu. Oats hardly changed, while in rye there was a slight decrease, but there is still 5 million bu in elevators, and a little more than 1 million bu afloat. Chicago bean stocks decreased 1/ 4 million bu, leaving 4 3/ 4 million bu here in elevators, and 765,000 bu afloat.

Markets were quite strong early, and had quite a good undertone until late in the session when some selling came into beans, and this affected other cereals; there was no great weakness, however. Flour business is draggy, and hardly anything was reported sold over the week-end. Corn acted well.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 23, 1951

There was some export business reported late yesterday in both wheat and corn, which apparently took some hedges out of the pit, and more business was put through this morning to Germany and possibly to Austria apparently against the recent allocations which were granted to those countries. In the early reports it was figured that as much as 4 cargoes might have been sold to Germany, including both hard and soft wheat, and there was some evidence of hedges being lifted.

As an offset to this we had news from Lake Success that China had made a counter-proposal for "cease-fire" in Korea. The new note declared that if the U N would accept in principle that all foreign troops should be withdrawn from that country, Peiping would assume responsbility to advise Chinese volunteers to return home. Apparently this was considered serious enough for the U N to recess for 48 hours to consider this matter from various angles. Thus, for the moment, at least, there is the hope that some peaceful settlement may be worked out.

When our market opened this morning first prices were somewhat lower.-- There had been some snow over parts of the corn belt, but apparently nothing important in the Southwest; in fact, the forecast is not at all favorable over that region, nor is the five-day weather outlook hopeful that any significant moisture will be had. The plant in practically all parts of Kansas, Oklahoma, and Texas is still dormant, but there are some reports coming to hand of blowing, and before long the situation may become critical if we do not get relief within the next few weeks.

During the past month or two rye prices have advanced sharply, and much of the buying was based on the fear of a close adjustment between supply and demand. Our carryover the beginning of the season was 9.5 million bu. We raised a crop of nearly 23 million bu so that the total stocks on hand were 32.5 million bu. It is quite likely that our total disappearance, including exports, will amount to about 30 million bu. This would leave us with a very small reserve. However, it has been our experience that with the slow European demand we cannot ignore conditions in Canada. They had a reserve stock of nearly 12 million bu, and raised a crop of 13.3 million bu, which meant that they started their season with total supply of 25.3 million bu. The consumption of rye in Canada is very small for domestic purposes; including seed, feed, waste, etc. there is probably less than 5 million bu used. The balance has to be shipped either to Europe or find its way to this country. In recent years we have often taken 8 to 10 million bu of their rye annually and chances are the same may happen this year. In view of these conditions we point out that North America should be considered as a whole rather than figuring Canada and the United States separately.

Primary receipts of wheat were smaller, and amounted to less than 600,000 bu; this compared with 757,000 bu last week, and somewhat over 1 million bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 71,000 bu.

As the session advanced it became apparent that both the domestic milling demand and the export business had been larger than was earlier reported. The spring wheat mills did considerable flour business overnight, and many buyers we were told covered their requirements for a month ahead. Volume in the Southwest was smaller, while mills in the soft wheat areas did just a moderate business. We were finally told that Austria had taken 5 cargoes of corn, Portugal bought one to two cargoes of wheat. It was further rumored that a cargo of corn might have been sold to France.

In spite of all this business the market did not act particularly well, possibly the international news had a bearing, but in any case there was pressure on the new crop futures of wheat, which was surprising in view of the fact that there was no moisture. Both July and September wheat lost ground on the nearby months. Of course, there has been a good deal of short covering lately, with many fearful that they might be frozen in their positions if controls were imposed. However, beans were quite strong in sympathy with higher prices for oils; altogether we could not sense any real weakness, although natural reactions were in order after the sharp advances which we have had.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 24, 1951

Despite the heavy export business which has been put through during the past few days, markets have not been particularly responsive to the news, and there may be several factors that have caused profit-taking. First, of course, is the possibility that controls may be imposed momentarily, and while that may not apply to all grains, they could very well be placed on soybeans, which are probably near the high price range based on the formula that we understand is to be used. Even corn may not be more than 7 or 8¢ away and meantime the country movement is a little bit better with deferred offerings having been quoted this morning for February shipment on a little better scale than heretofore. Also, there is the possibility that the Korean situation may be compromised in such a way as to save face for both sides. There is nothing certain in that direction, but the Indian Premier let it be known from New Delhi that he was convinced that Communist China was eager for direct negotiations with us and with other powers to settle the Korean war. Nehru called on both sides to stop their long distance exchange and meet at the Conference Table for direct negotiations. He said that in his opinion the present hour appeared to be fruitful for such talks--that there was an overwhelming desire for peace throughout the world. He also criticized the U. S. for the Korean campaign and our failure to heed warnings not to cross the 38th Parallel, which he regarded as a major error, and which he thought should have been avoided. He also criticized the American proposal in the U. N. to name Communist China as an aggressor.

All these factors are apparently causing more conservatism on part of the trade, and we found a rather quiet market, particularly in wheat after the initial transactions had taken place. It is still dry in the Southwest with somewhat lower temperatures reported although we had a message early that it was snowing hard at Emporia, Kansas, and that the ground was covered. This is in the eastern part of the state, but, nevertheless, was unexpected moisture, and we still believe that while the ground is extremely dry irreparable damage has not as yet occurred, so that rain or snow later on might bring about great changes.

As opposed to this, mild weather is reported over a large part of Europe, which is causing excessive early growth. In the central sections a rapid thaw has caused partial floods according to Broomhall's advices. An official French report places the winter wheat acreage up to January 1st at 9.8 million acres, a slight decrease from last year. A period of cold weather is now wanted to check excessive growth, but on the other hand moisture supplies are very satisfactory. There has been mild weather in Italy and the crops in most areas are in good condition, although probably too advanced for this time of year. There was some damage from flooding but it is mostly local, yet it indicates a satisfactory situation for moisture. Australian wheat estimates have again been raised; the total is now 191 million bu, an improvement of 5 million bu over the previous report, and this compares with 216 million a year ago. According to Broomhall, whom we are still quoting Argentine interests feel that the crop is somewhat smaller than the government indication of 222 million bu, and it is believed that there may be an overestimate of 20 million bu, in which case it would compare with 189 million bu last year. Hot weather has caused concern for the corn crop.

Primary receipts of wheat were 599,000 bu compared with 678,000 bu last week, and 511,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 24,000 bu.

We were given the official wheat and flour exports today for the month of December; these amounted to 19.6 million bu vs 24.9 million bu last year. The six months' total, or in other words shipments since last July, were 108 million bu compared with 169 million bu a year earlier. Other grains totaled 109.6 million bu for the six months' period compared with 119.6 million a year ago.

Trade was rather moderate, but some increase took place at about mid-session when word came from Lake Success that Communist China had sent another message to the U N on the problem of peace in the Far East. Contents of the cable were not discussed, but the message was received by the Indian Delegation. A spokesman said that the message was very important, and added that things are moving at a dramatic speed.

The possibility of peace naturally had a somewhat bearish influence on the market, even though we have had disappointments in this regard before. Washington is busily engaged in getting ready for price controls. Mr. DiSalle when questioned as to what might happen to wheat, simply replied that this commodity is still below parity, and on another occasion stated that the price freeze would be based on a level of price and without limiting companies to specific mark-ups.

This is not a solicitation of any order to buy or sell but merely a current-market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, January 25, 1951.

Before our market opened this morning news was received from London quoting reliable sources as saying that Communist China had expressed a willingness for a "cease-fire" order in Korea to take effect immediately if a 7-Power Conference could be arranged for the discussion of Far East problems. The Peking government was even agreeable to holding such a meeting outside of China, probably in New Delhi in order to explore the possibility of a peaceful settlement of Korean and other Far East problems. British quarters believe that the U.S. would find it difficult to reject the proposal and it certainly throws a more favorable aspect on this very worrisome condition; so at least there is a chance now that our differences may be composed.

It was quite natural that our market should open lower, but bearish enthusiasm was restrained in view of the fact that export business is probably on a heavier scale now than it has been in weeks, and reports had it that the U. K. had bought a total of 4 cargoes corn, also that Holland had bought a cargo in addition to which there was considerable business in wheat, with Germany reported the buyer of 2 cargoes red wheat, while an additional cargo of the same grade had been taken by the U. K. overnight. It was also claimed that Holland had purchased a cargo of spring wheat for last half May shipment. All this naturally had a sustaining influence on the market as hedges were covered, although in some cases we believe that the hard wheat has lately been furnished from the CCC stock; thus there is the chance that someof the wheat futures which had been purchased may later be put back into the pit.

We also find that our clearances have expanded somewhat due to the better European demand, and according to Broomhall, our shipments of wheat and flour during the past week totaled 5.6 million bu, which brings the total to 121.8 million bu since July 1st, which compares with 181.8 million bu a year ago. Under the terms of the International Wheat Agreement if any one country takes or desires less than its quota it may by mutual consent be shifted to another country. This brings up the possibility that India may buy a good portion of the unused Italian wheat quota, which we understand is still sizeable and amounts to 34 million bu. Of course, it might not necessarily all come from the U.S., but, nevertheless, if our credit terms or other arrangements are more satisfactory the business might be done from here.

There has been a good dealof talk naturally about ceilings which are going to become effective at almost any moment. How they will affect grain, if at all, is still a question. Under the Defense Production Act of 1950, the President has been authorized to establish price ceilings for any commodity or service if the price has risen or threatens to rise materially above the May 24th to June 24th level, and if the increase will materially affect the cost of living or the national defense. There are, of course, a good many exceptions, and as we understand it any agricultural commodity selling below parity levels could not be included. Furthermore, if seasonal demands or normal business practices require contracts for future delivery of a given commodity, the appropriate provision must be made to prevent hardships and inequities to sellers who have such bona-fide contracts in effect on the date of issurance of a price control regulation which affects that commodity. Thus there is a great dealof latitude. Moreover, in establishing a ceiling on products which are processed from agricultural commodities a generally fair and equitable margin is to be allowed. Also, ceilings are to be adjusted from time to time to make allowance for substantial reductions in merchantable crop yields, unusual increases in cost of production, and other factors which result from hazards occurring in connection with the production and marketing of such products. Taking all these factors into account, nobody can be too certain at this time how the program will work in practice, and it certainly leaves a good many loopholes based on the wording of the law.

Statistics were unimportant today, and had no market effect. During the session it was announced that the Office of Economic Stabilization had rolled back prices of hides about 15% to November levels. This had a littleinfluence on grains, because it was generally felt that agricultural products were in a different category, with most prices under parity levels. Beans, however, had a sharp bear [illegible] the time, but they, too, showed good recuperative power. The issuance of the freeze order is being held up until the government reaches some agreement on wages; therefore, we may not have the final advice tonight.

Milling demand was a little better, but business generally was poor. However, export business had a firming influence on wheat, and prices closed relatively strong.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 26, 1951

Price controls were further delayed because of the fact that the government apparently is anxious to consider both wages and prices at the same time. Furthermore, control machinery is almost non-existent as of now, but it will expand rapidly and we presume that when control powers are instituted they will be extremely uncertain at some points, but may be clarified later, and will gradually be tightened as time goes on. Trade still feels that most agricultural products where a commodity selling below parity will not receive immediate attention, and for that reason there was some firmness when our market opened, despite the rather bearish statistics that had been given to the trade after the close of the market yesterday.

We are able to make some deductions now on the various grains, taking into account crop and carryover at the beginning of the season and deducting the volume of exports to-date. For example, in wheat we started with a total supply of 1,446 million bu, and we find that our disappearance for six months was 448 million bu. A year ago we had a total supply of 1,449 million bu and the disappearance at that time was 540 million. Our six months' exports this year were 107 million compared with 169 million a year ago, and it shows that our domestic usage for the period was 341 million, or a reduction of 30 million from the season earlier. Using the same reasoning in applying these computations to oats, we find that for the past six months domestic disappearance was 34 million bu smaller. We do the same with respect to corn except that the crop was harvested later, and, therefore, we make the deduction that for the past three months domestic disappearance was 72 million bu smaller than it was the season before. All this is a little difficult to understand, particularly the smaller usage for feed grain, despite the great number of animals on hand. Either the high price has discouraged feeding operations, or else substitutes have come into the picture although the sorghum crop, which was very large, also indicates a stock on hand of 208 million bu, which is quite a little more than is often raised. So here again it throws no light on our problem. In any case, we may now have to contend with larger reserve figures at end of the season than had been previously anticipated. It is still true, of course, that a good part of the last carryover in corn was in government hands, and it should be noted that CCC is not furnishing supplies to exporters as they might have done had they wished to dispose of the big stocks they were carrying. The policy may be altered later, particularly as heavy shipments are being made, although to-date our clearances, even though large, have been less than the year before.

There was no moisture in the Southwest and while a few scattered snow flurries are likely, the outlook is not very favorable, nor does the five-day forecast offer much promise of relief. Meanwhile, it has been hot and dry in the Argentine. There have been some complaints from parts of the corn belt that moisture supplies are depleted, and it will undoubtedly take regular rainfall over the next few weeks to bring the crop to maturity. The overall outlook is certainly less favorable than it was a few weeks ago.

There was some export business reported but of smaller amounts than recently. The Netherlands bought some hard wheat at the Gulf, and also, corn at the Atlantic and the U. K. bought corn at the Gulf. Hedge lifting was more noticeable in corn than in wheat but cash corn seems to be in rather good supply with exporters apparently able to cover elsewhere on a much better basis than Chicago delivery. As a consequence, corn that is coming to Chicago continues at a sizeable discount under the futures with a number of buyers limiting their purchases because of lack of storage facilities.

Further authorizations were made by the ECA and it appears that we will continue to consummate a sizeable export business right along.

Flour business seemed to be somewhat better probably prompted by demand from bakers who are uneasy over expected ceiling announcements. Many buyers have price ideas lower than the present flour level.

Primary receipts of wheat were 719,000 bu, not much different from a week ago but 50% over last year. Kansas City and Minneapolis wheat stocks so far this week have decreased 216,000 bu; therefore, it is likely that the visible supply decrease when posted next Monday will be less than 4 3/4 million bu decrease a year ago. The government report confirmed that mills held wheat stocks in excess of a year ago, and also, the visible supply is running larger.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 29, 1951

The freeze order and freezing temperatures were both factors which faced traders this morning. Both had been expected and the low temperatures Southwest, with very little snow protection, will unquestionably do some damage. It is quite different than if we had some previous moisture, but with topsoil so dry we feel that it will take better than average weather during the spring months to give us a decent crop.

As far as the OPS rulings are concerned, there is great uncertainty. Time was so limited that the officials of OPS threw everything together in a hurry and they themselves admit that there may be a different ceiling for one party than would apply to another, which makes no sense, yet they practically admit that this is the case, and, therefore, there is bound to be great confusion until there is some uniform ruling to cover the organized exchanges of the country. Pending such clarification we have advised our people that we cannot be responsible for any possible nullification of trades or rollbacks should they occur. We have in mind particularly soybean oil and lard, with present prices possibly at or near ceiling levels.

Broomhall pointed out that estimates in Britain are for a winter wheat acreage of only 1.5 million acres compared with 1.8 million last year. This will necessitate active work this spring if the goal of 2,446,000 acres is to be reached for 1951. Last year a total of 2,393,000 acres were put to winter and spring wheat in Britain and a crop of 94 million bu was harvested. Otherwise, there was not much crop news from abroad. Generally speaking conditions on the Continent are fairly satisfactory, at least from point of view of moisture, although weather for a time had been rather warm and the crop was forced, although we believe that meantime somewhat lower temperatures have ruled.

Stabilization officials say that rationing, particularly of food may become necessary to make price and wage controls work. They have in mind meat probably more than any other commodity, and it is claimed that more than one billion lbs have been stored away in frozen food lockers, which is equal to a two-weeks' supply for the nation. The Department of Agriculture has estimated that home freeze units have increased to 3 million. In addition to this about half the estimated 30 million refrigerators in use have compartments capable of storing some meat for long period When you add to this the 5 million lockers in freezer plants throughout rural communities, the total makes quite a showing. There is some talk that if rationing should come the owners of food freezers would be required to declare meat in storage, so that ration coupons would be deducted.

When the visible supply of wheat was posted, there was a very sharp decline of 5 3/4 million bu leaving the total stock in all positions just less than 201 million bu. This compares with 179.3 million bu which we had last year. Corn stocks increased 3,836,000 bu to a total of 63 1/4 million bu compared with 46 3/4 million bu last year. There was very little change in oats. We still find 15.3 million bu in the various markets or practically the same as was on hand a year ago. Chicago wheat stocks decreased 186,000 bu to 8.6 million bu. Local corn stocks increased 268,000 bu totaling now 14 1/2 million bu. There was very little change in our local oat stock. There is still 1 3/4 million bu here, also, nearly 5 million bu of rye, plus 961,000 bu afloat. Chicago lost 101,000 bu beans during the week leaving 4.6 million bu in elevators and 765,000 bu in boats.

Trade was quite large and there was considerable evening up of contracts due to the cold spell Southwest with hardly any snow covering except in northwestern Kansas. It is generally felt that some damage has been sustained but by the same token it is difficult to reason why the government should continue to subsidize wheat exports on a heavy scale, paying $1/4 million for each cargo that leaves this country at a time when they are fearful that there may be some difficulty in maintaining ceiling prices.

The government will give a report tomorrow showing the amount of soybeans on hand. This was supposed to have been put out today but publication postponed. At that time new parity prices will be published. Milling demand was somewhat better but flour buyers were a little bit nervous over the higher levels that were reached and apparently some of the buyers are still staying on the sidelines. At the beginning of the session, corn prices lagged but later on when wheat remained so firm there was better buying despite weakness in the cash market and the price here in Chicago was 4¢ to 5¢ under May for #2 yellow corn, displaying quite an easy undertone. Lard and bean futures did not get too far from the previous closing levels and apparently traders in those commodities were more cautious.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 29, 1951

The freeze order and freezing temperatures were both factors which faced traders this morning. Both had been expected and the low temperatures Southwest, with very little snow protection, will unquestionably do some damage. It is quite different than if we had some previous moisture, but with topsoil so dry we feel that it will take better than average weather during the spring months to give us a decent crop.

As far as the OPS rulings are concerned, there is great uncertainty. Time was so limited that the officials of OPS threw everything together in a hurry and they themselves admit that there may be a different ceiling for one party than would apply to another, which makes no sense, yet they practically admit that this is the case, and, therefore, there is bound to be great confusion until there is some uniform ruling to cover the organized exchanges of the country. Pending such clarification we have advised our people that we cannot be responsible for any possible nullification of trades or rollbacks should they occur. We have in mind particularly soybean oil and lard, with present prices possibly at or near ceiling levels.

Broomhall pointed out that estimates in Britain are for a winter wheat acreage of only 1.5 million acres compared with 1.8 million last year. This will necessitate active work this spring if the goal of 2,446,000 acres is to be reached for 1951. Last year a total of 2,393,000 acres were put to winter and spring wheat in Britain and a crop of 94 million bu was harvested. Otherwise, there was not much crop news from abroad. Generally speaking conditions on the Continent are fairly satisfactory, at least from point of view of moisture, although weather for a time had been rather warm and the crop was forced, although we believe that meantime somewhat lower temperatures have ruled.

Stabilization officials say that rationing, particularly of food may become necessary to make price and wage controls work. They have in mind meat probably more than any other commodity, and it is claimed that more than one billion lbs have been stored away in frozen food lockers, which is equal to a two-weeks' supply for the nation. The Department of Agriculture has estimated that home freeze units have increased to 3 million. In addition to this about half the estimated 30 million refrigerators in use have compartments capable of storing some meat for long period When you add to this the 5 million lockers in freezer plants throughout rural communities, the total makes quite a showing. There is some talk that if rationing should come the owners of food freezers would be required to declare meat in storage, so that ration coupons would be deducted.

When the visible supply of wheat was posted, there was a very sharp decline of 5 3/4 million bu leaving the total stock in all positions just less than 201 million bu. This compares with 179.3 million bu which we had last year. Corn stocks increased 3,836,000 bu to a total of 63 1/4 million bu compared with 46 3/4 million bu last year. There was very little change in oats. We still find 15.3 million bu in the various markets or practically the same as was on hand a year ago. Chicago wheat stocks decreased 186,000 bu to 8.6 million bu. Local corn stocks increased 268,000 bu totaling now 14 1/2 million bu. There was very little change in our local oat stock. There is still 1 3/4 million bu here, also, nearly 5 million bu of rye, plus 961,000 bu afloat. Chicago lost 101,000 bu beans during the week leaving 4.6 million bu in elevators and 765,000 bu in boats.

Trade was quite large and there was considerable evening up of contracts due to the cold spell Southwest with hardly any snow covering except in northwestern Kansas. It is generally felt that some damage has been sustained but by the same token it is difficult to reason why the government should continue to subsidize wheat exports on a heavy scale, paying $1/4 million for each cargo that leaves this country at a time when they are fearful that there may be some difficulty in maintaining ceiling prices.

The government will give a report tomorrow showing the amount of soybeans on hand. This was supposed to have been put out today but publication postponed. At that time new parity prices will be published. Milling demand was somewhat better but flour buyers were a little bit nervous over the higher levels that were reached and apparently some of the buyers are still staying on the sidelines. At the beginning of the session, corn prices lagged but later on when wheat remained so firm there was better buying despite weakness in the cash market and the price here in Chicago was 4¢ to 5¢ under May for #2 yellow corn, displaying quite an easy undertone. Lard and bean futures did not get too far from the previous closing levels and apparently traders in those commodities were more cautious.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 30, 1951.

At a time when our government is thinking in terms of expanding social security, it seems highly important that we endeavor to maintain the stability of the dollar, which after all is what people will finally receive in the way of benefits when they reach retirement age. Dr. Edwin Nourse, former Chairman of the President's Council of Economic Advisors, warned Congress yesterday that further inflationary pressures are threatening the economy. We believe that he has in mind that pressure on prices will continue despite temporary freezing of services and goods under the Stabilization Act. This authority recently said: "The greatest thing we have to fear in the economy is a spreading fear as to the future of the dollar." There are many ways that inflation can be fought but it takes courage and will mean the curtailment of expenditures for non-essential bureaus of government, something which has been widely discussed but not yet practiced to any appreciable degree. Rather we have pursued artificial methods and have taken the fateful plunge into all-out price and wage controls, which thus far have caused a good deal of confusion, and there are many steps that will require clarification before traders in commodities or actual merchandisers will know to what extent they are affected. In cotton the uncertainties have been so great that the market has not opened since last Friday, and apparently officials have not yet had much clarification fromOPS. Then, of course, there are many staples produced outside of this country, and if price rises continue it is bound to prove embarrassing, or in any case there will have to be many adjustments from time to time.

Before our market opened this morning, there was a little encouragement in the way of snows that were reported over parts of Kansas. In the western part of the state the fall was reported from light to moderate, also over portions of Nebraska although elsewhere generally clear weather prevailed and low temperatures continued. The forecast is for probably some snow in the western portions of Oklahoma, Kansas, and Nebraska tonight and continued cold. Neither this nor the five-day forecast offered too much relief, although precipitation up to 1/4 inch is expected in eastern Nebraska to 3/4 inch for southwestern Oklahoma and southeastern Missouri in the form of sleet or snow during the next five days, while western Texas may have moderate precipitation to rather heavy, occurring intermittently during that period. Our own weather man is not too hopeful of this change, although it does offer some relief in certain sections.

Shortly after our market opened, the Census Bureau reported on soybean crushings for the month of December, with nearly 24 million bu processed. This compares with 22.8 million bu for November and only 17.2 million for December last year. For the entire quarter crushings have amounted to 66.2 million bu compared with 52 million bu last year, and indicates a rapid consumption helped, of course, by the poor cotton crop, which has made cottonseed oil a relatively scarce article.

Not too much attention was paid to this early, probably for two reasons: First, soybeans are regarded in a range either close to or above permissive ceilings; secondly, the crop was so much larger than last year that unless crushings were heavier we might add considerably to the carryover reserve.

Primary receipts of wheat were a little over 1 million bu compared with 599,000 bu last weekand 588,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 160,000 bu.

As the session wore on there were increasing reports of snows over parts of Kansas; for example, Topeka claimed the ground was all covered, Garden City advised 1/2 inch on the ground at Jetmore, and Liberal said a nice wet snow had been falling there; it was also reported that it was snowing hard at Hutchinson, and snowing with ground covered at Salina, Kansas; and there were other spots.

Surprisingly enough the moisturehad very little influence on the market as agood many people are more concerned with the possibility of ceiling prices being reached and the market being locked. We had reports fromthe Northwest that countrypurchases had picked up considerably, some business was limited because elevators were blocked; we also found that there was more liquidation in southwest Oklahoma where prices for wheat were about 10¢ above the loan. This brought a few hedges into the market, but apparently not enough to overcomenew speculative buying. There was also a better milling demand, and quite a little spring wheat flour was sold.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

Corn was relatively weak, at least indifferent, despite higher prices for beans, and the leading cereal; the cash demand is still extremely poor.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 January 31, 1951

There was some very nice moisture overnight; in fact, quite a little more than had been predicted by most of the weather experts. Snows were quite general over the Southwest during the past twenty-four hours, and the amounts ranged up to 5 inches in the Texas Panhandle, and up to 4 inches at western Kansas. While the temperature had moderated somewhat, it still continues much below normal over all areas of the country for this time of year. It looks as though a good many districts would be visited with more precipitation tonight or tomorrow, and this would be extremely welcome, as we do not delude ourselves into thinking that the winter wheat crop has been made or even sufficiently relieved just because of the recent snows that have occurred. It has been dry in the Southwest for three months, and it is going to take more than the usual amount of rain or snow to give us a decent crop. In the meantime, however, we have made a start.

Ordinarily news of this kind would probably have given us a somewhat lower market. However, ceilings react very peculiarly upon individuals, and we are going to make the same analogy we did the last time when freeze prices were imposed. We called attention to the fact that if a group of men were sitting in a room quietly chatting, they would all be quite natural and composed and could deliberate sanely on issues of the day. If, however, suddenly the door were locked from the outside, there would be a mad scramble for each one to get out. They would no longer be free men in the sense that they had originally assembled for the purpose of a social gathering. It appears to us as though markets are very much in that category. With the possibility that there may be a general cessation of trade if highest permissive prices are reached, there seems to be the same scramble now to try to get out of something that might be harmful. The market is no longer free as it was before the artificial factors came into the picture. Very likely the early advance today was a further resumption of fear and scare that the worst might happen. We hope that sometime today there will be further clarification from Washington as to what the actual minima prices are at which trades may take place. It is generally felt that when the Secretary of Agriculture announces by publication that any commodity reaches that point the price will be frozen in its tracks, and for that reason the various differentials between markets prevailing at that time may continue to be the top levels irrespective of loan or freight differentials between markets. We may be incorrect in this surmise but based on what we have heard from Washington it is our belief that this is going to be the method used for imposing ceilings on both cash grain and future

The government reported total soybean stocks on January 1st at 227 million bu after the close of the market yesterday. This we believe is more than had been expected. The crop and carryover on October 1st gave us a total supply of 290 million bu. Deducting crushings for the first quarter and exports one would have guessed that remaining supplies would have been only 217 million bu, but the government figures were higher; in fact, the biggest on record, and it compared with year-ago stocks of 178 million bu. Higher parity figures for January were recorded for corn and wheat. The government has not yet considered imposing ceilings on parity. However, non-basic commodities had a lower parity figure based on the new computation, yet this did not seem to have more than a passing influence on those commodities.

Primary receipt s of wheat were somewhat smaller, at 551,000 bu compared with 599,000 bu last week and 546,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 324,000 bu.

Markets were mostly firm, particularly corn and soybeans. It was reported that Commodity had bought 300,000 bu yesterday at Kansas City while a leading exporter was supposed to have sold 5 or 6 cargoes of corn to Italy, which meant quite heavy covering of hedges in the pit. At the start there was a fair amount of wheat buying by mills and apparently recent business was quite substantial, particularly of national brands where big business was reported overnight. According to the Southwestern Miller, bakery volume also increased, and apparently the fear of ceilings is affecting that trade also. The country was a fairly good seller of wheat both Northwest and Southwest, and apparently producers are satisfied with the present premium over the loan. During December, 17 million bu more was impounded, bringing the total to the end of 1950 to 181 million bu. This compares with 164 million bu tied up at the end of November. There was some profit-taking in wheat but losses for the day were only fractional.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 February 1, 1951.

Another cold wave has spread over the country, and according to the Weather Bureau Florida and southern Georgia were the only areas enjoying mild weather this morning. Temperatures in the Southwest were particularly low, many points claiming a drop to 10 or 15 degrees below zero. The only offset, of course, was the recent snow which offered some protection, although there were some spots in eastern Kansas that had been missed. On the whole we feel somewhat relieved that moisture was finally received even though inadequate considering the long period of drought. According to the Kansas weekly report, the 1951 wheat crop generally remains in a dormant condition, and there was some noticeable greening-up on the warm days. They point out, however, that the low temperatures are causing a reduction in the population of aphids. This and some of the other insects had not only been present but took a heavy toll from the crop last season and two years ago, so that any extermination of this menace should be looked upon favorably. It will probably remain cold for the next day or two, and in fact, the zero temperatures penetrated into the Texas Panhandle with Amarillo, Texas telling us that 10 to 15 below zero was quite prevalent over the Panhandle of that state and a forecast for 10 below zero tonight. There has been very little snow covering south of Amarillo and many people feel that a good deal of damage will result if severe cold continues. There was some additional light snowfall over portions of western Kansas and portions of Texas, but the main moisture in the form of snow was east of the Mississippi river, where it was not particularly needed.

In our opinion, if the government is so much concerned over high and advancing prices, there are three ways in which this movement might be arrested: First, with the large quantities of wheat and corn under government domination, they would not necessarily have to sell but might announce at what price their entire holdings would become available to the trade. Secondly, they could stop the large subsidy in connection with wheat exports, and as has been pointed out in these letters, every time a cargo of wheat is shipped it costs the taxpayer about $250,000. That could be quickly ended if there were any fear that a poor crop next season might create hardship or even a problem in holding the price line. Thirdly, the government might try to correct inflation at its source. One of the most aggravating situations has been the continued upping of parity every month, and a ceiling on that artificial index probably would do as much as anything to halt the upward spiral. We understand that since corn parity was advanced 3¢ a bu the other day, farmers have assumed more of a holding tendency. Psychologically, every increase tends to do that very thing.

There was a report from Washington this morning that the government had moved to safeguard U S wheat reserves as a defense measure. The Department of Agriculture withdrew an offer to sell 100 million bu government-owned wheat on the export market and is offering only 50 million bu on domestic markets. In effect, one official stated the Department's offer of wheat for actual sale has been reduced to a total of 50 million bu, and thus there was immediately a bullish response as traders became scared. Washington points out that foreign purchasers will still be able to buy wheat in this country from commercial sources and that the government's restrictions apply only to its own stocks. However, coming at this moment when there is already such apprehension and with prices drawing closer to the probable ceiling, this move had more than the usual effect.

Trade was extremely nervous today; undoubtedly the greatest influence was the government's withdrawal of offerings of wheat for export, and limiting the quantities to be sold domestically. This came at a psychological time when trade was already nervous, and the market effect was keen even though many shorts had covered previously. It will undoubtedly have the effect of strengthening premiums on cash wheat, which actually has already happened in the Southwest, and may finally serve to cut down our export volume. During the pastweek Broomhall tells us that wheat and flour shipments were 5 1/2 million bu, bringing the total to 127 1/2 million bu since July 1st compared with 190 million a year ago. Since the first of November corn shipments have been 35 million bu vs 43 million bu a year ago. Soybeans since the same date, 9 million bu compared with only 3 1/2 million last year. Country purchases were somewhat smaller, and only moderate Northwest, probably cut down by the fact that elevators are blocked.

The switchmen's strike is also tending to cut down the available number

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

of cars, which already were in small supply. Milling demand was much poorer, but apparently had little influence on values. UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 February 2, 1951.

The U.S. housewife paid more for nearly every important item in her budget during the first half of January, and the big question is whether the freeze recently announced by the government will bring a halt to the upward spiral. There are some authorities, such as Prof. Norton of the University of Illinois, who feel that even a temporary ceiling will not stop inflation, and as he points out when artificial controls are removed the accumulated purchasing power shows up in delayed inflation, as was the case in the period from 1946 to 1948, and again since last June. He calls attention to the fact that heavy buying by consumers with larger buying power or heavy accumulations in trade channels by those who expected higher prices or scarcities has been the basic reason for strong demand.

In our opinion there are some additional factors, as for example, the government withholding large supplies from the market. According to the last report they had a stock of 280 million bu wheat at end of November. Chances are that they still control about 235 million bu, including what has been sold or otherwise committed for export. Therefore, this has removed from commercial supplies a rather large proportion of grain, which has helped to bring about the sharp advances we have had. We understand now that they will not only withhold their supplies for export, but that they have refused to sell any wheat domestically except high protein or high quality premium wheat, or in some cases furnishing small quantities here and there if millers can prove that they are in distress and cannot obtain supplies elsewhere. Under these circumstances if prices hold up so that redemptions occur on practically all the wheat presently impounded, we might have a tremendous supply of free wheat at the end of the season, in spite of the fact that the government would still be holding 200 million bu or more. The CCC withdrawal of all wheat offers for sale to exporters and the unchanged export subsidy late yesterday have made it more difficult, if not impossible, for private firms to sell anything abroad at a decent profit. Possibly this is the government's intention with the ports crowded, shipping space not too plentiful, and more recently the switchmen's strike interfering with domestic transportation.

We understand that exporters are not offering wheat abroad under subsidy owing to the inability to quote within the IWA maxima. More than 2 1/2 million tons all grains already are under contract for export clearance in February, which is more than can be handled at the ports.

Then, also, the trade is reminded frequently of the sweeping changes in the character and magnitude of federal expenditures, and the proposed increase in taxes for all groups. President Truman estimates military operation expenditure during the fiscal year of 1952 at $41.5 billion, which is the largest amount ever proposed for national defense preparations in time of peace. It represents about 56% of total federal cash payments, and is almost double the direct military expenditures expected during the current fiscal year. It is with that in mind that certain Senators are fighting for reductions in the non-essential expenditures, as the proposed burden of taxation may finally defeat its purpose if initiative is crushed. A proposed corporate tax of 55% actually means about 63%, including state and local taxes, and is such a heavy drain on corporate income that many less tempting business projects are forsaken, as they are not worth the risk involved.

Primary receipts of wheat were 584,000 bu compared with 719,000 bu last week, and 811,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 597,000 bu. When the visible supply of wheat is posted next Monday it will compare with a shrinkage last year of 3 1/2 million bu.

Trade was a little more on the quiet side, price swings were moderate, and while beans held fairly well there seemed to be nothing in the news out of Washington with respect to ceilings. Meanwhile flour business has dwindled down to small orders, and it is felt that the majority of bakers and family brand handlers are heavily booked for the next four months ahead. Therefore, according to the Southwestern Miller, who gives us this information, they are unwilling to add to contracts.

Prices eased somewhat, there was no sharp decline, even though the country selling in the Northwest was the best in quite a while. Redemptions Southwest were not too heavy.

Secretary Brannan has given an acreage guide to farmers, suggesting that spring wheat plantings be increased nearly 3 million acres; he would like to see corn acreage increased 5 3/4 million acres. His plan calls for a slight reduction in bean acreage, and a cut of nearly 3 million acres for oats.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

President Truman believes that the rail strike must be settled, and that we cannot tolerate a continuance as it is directly injuring our national security.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 February 5, 1951

It was almost a foregone conclusion that when the gold dollar was devalued February 1, 1934, it would be difficult, if not impossible, to ever revitalize our monetary standards when we went from a period of deflation to one of inflation. The new dollar was never able to wield the same power or to command or receive the same recognition as did its predecessor. We stated at that time in one of our market letters that no economist or statistician of the future would dare to make comparisons with prices which prevailed during the past 100 years without dwelling on the fact that we are now dealing with a dollar of different standard. It was quite true that during the 100-year period when the old gold dollar contained 25.8 grains of 9/10ths fine gold, there often were periods when we had sharp price fluctuations, but yet we recovered from most periods of depression or panic without tampering with our monetary system. In the meantime, the depreciation in our currency has had the additional stimulating power of putting goods and services at a higher level. As one great economist at the time pointed out, "Our commodity price level will increase to the same extent that we have increased the value of gold, with this qualification, that the law of supply and demand will occasion fluctuations above and below the fixed value of gold."

We have one thing in common with the rest of the world: namely, that inflation has taken place universally to such an extent that when almost all budgets are in the "red" before the impact of armament hits, people, who are overtaxed already, resist the invitation to pay still higher taxes and to incur larger deficits. In addition, to re-armament and the expenses incurred in Korea, we have failed to economize on the home front and the spending for non-essentials has gone ahead. All this has aggravated the situation to an extent that taxes cannot be lifted much more, as we have practically reached the limit. As a matter of fact they are so high now that they must be shifted to the consumer; in other words, to the working masses whose real income is accordingly deficient.

It remains to be seen whether price controls will actually work, and even at the start there is much talk that we may have black markets for years to come as artificial factors may not do much to check a disease which has grown incipient. Due to the railroad strike several of the large mills in Minneapolis were reported closed, and we believe that other industries have been similarly affected. The Chicago hog market was 50¢ to $1.00 lower this morning, all of which had a somewhat bearish influence on grains. There was no precipitation of consequence over the week-end. Temperatures were more moderate and close to normal over most sections except the far South. CCC issued an inventory figure of its corn holdings as of December 31st. They had 398 million bu on hand, which compared with 379 million bu held at end of November. This increase, however, was offset by a decrease in the corn under support, which was only 200 million bu at the end of December compared with 220 million bu at end of November. Wheat inventory was also made known, with 271 million bu December 31st in the hands of CCC compared with 285 million bu a month earlier. At the present rate of disappearance the government may have about 200 million bu left at end of the crop year without any provision for additions either from defaults or from present loans.

When the visible supply of wheat was posted, there was a decrease of 3,305,000 bu leaving total stocks in various positions at 197.6 million bu, which is about 21 3/4 million bu more than we had a year ago. The corn visible increased a little over 2 million bu to 65 1/4 million bu compared with 44 1/2 million bu last year. There was a small increase in oats of 361,000 bu. Total stocks are 15 million bu, which is a little larger than in 1950. Here at Chicago, wheat stocks were reduced some to 8 1/2 million bu. Corn showed a small reduction and there is 14 1/4 million bu in elevators plus 238,000 bu afloat. Oat stocks continue small with only 1.6 million bu here, while rye does not change much. There is nearly 5 million in elevators and close to a million bu in boats. Bean stocks showed a small decrease. There is 4.6 million bu in Chicago elevators and 765,000 bu afloat.

Trade was reasonably active and early prices showed losses but after mid-session, despite poor milling demand, the market showed recuperative power while corn and beans were quite strong and closed higher for the day. We were told that redemptions in the Southwest were quite heavy and one party at Enid, Oklahoma told us that farmers were selling on a rather large scale. Northwest, however, the country movement was rather light. The Salina Board of Trade believes that conditions are not at all bad despite the period of drought and some of the people reporting even figured that conditions were above average for this time of the year.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 February 6, 1951

The average person in this country does not give much thought to the question of public finance, because he feels that in one way or another the mounting bills will be paid by the wealthy. One of the important banks in this country makes the following comment: "With an overhanging Federal debt of around $256 billion and prospects that a record-breaking tax load must be carried for an indefinite period, the time has come for the American people to realize that the spending philosophy of the past two decades is false and dangerous. Our Federal finance is closely interlinked with our national security. In consequence, the battle for survival can be lost, without firing a shot, through frittering away our resources on social and national commitments beyond our capacity."

It is not generally recognized that Federal taxes average less than 10% on the aggregate gross income of persons receiving under $5,000 a year, but they are about 41% on those in the $25,000 and higher income groups. The result naturally is that when taxes are stepped up the new burden will fall more on those in the lower categories. To show how heavy a burden this is going to be, we call attention to the fact that if the President's budget of $71.6 billion is met by increased taxation, and if we further add $16 billion, which is collected in the form of state and local taxes, that the total burden to be borne by the American tax payer would be about $87.6 billion -- the highest on record. It would actually amount to about $2,137.00 per family compared with $360.00 per family in 1939. It has been found that tax payments of more than 25% of national income constitute the peril point because of the strain that is imposed on the economy.

Our market opened somewhat lower despite the fact that there had been some further export business overnight in both corn and wheat. This necessitated covering inthe pit, but apparently there was also some selling after yesterday's sharp advance. The strike situation is better in most parts of the country, although still not settled locally, but there is hope that the men will gradually go back to work.

Not much attention was paid to a report that the Wheat Board in Australia had revised its figures downward with respect to wheat yields. This was caused by reductions in New South Wales and Queensland. The Board now indicates an outturn of 168 million bu compared with recent estimates of 191 million bu, and last year's crop probably in excess of 216 million bu. As a partial offset domestic needs in that country are smaller. There are probably only 75 million bu considered necessary for home use; therefore, a crop of 168 million bu would leave about 93 million bu for export plus the carryover from the previous season.

Weather in the Southwest is expected to turn cold again, and while some light snow is possible for eastern sections of Kansas and Oklahoma, it is not thought likely that central and western portions will benefit much. However, the five-day forecast, which is always somewhat uncertain, indicates that for Missouri, Kansas, Nebraska, and Oklahoma precipitation will average moderate to heavy with rain or snow Friday and Saturday. They expect totals of 1 to 2 inches in eastern Oklahoma and Missouri to 1/2 inch for northwest Kansas and western Nebraska; nothing is indicated for west Texas.

Primary receipts of wheat were 834,000 bu compared with a little more than 1 million bu last week, and 662,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 70,000 bu.

Markets were not too active, but there seemed to be a more balanced sentiment, particularly in wheat and in corn. Those two cereals were lower despite strength in soybeans, with a new high having been made on the crop. There does not seem to be much selling in wheat even though the five-day forecast is more hopeful, apparently traders want to see whether the moisture actually materializes. Contract stocks of wheat in Chicago in deliverable positions were about unchanged at 4.8 million bu. Domestic flour business continued slow, with not much inquiry. A good many actual users have bought three to four months ahead.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 February 7, 1951

Because of the fact that the government has spent billions of dollars for price supports trying to maintain eggs at high levels, and in general holding up domestic prices, while we sell abroad at a subsidy, many people have come to the conclusion that these are the main functions of the Department of Agriculture. It is true that vast sums have been spent in the accumulation and storage of millions of pounds of peanuts, tremendous quantities of rosin, potatoes, milk, etc., which has cost the taxpayer as much as $200 million per year in storage alone. In fact, we computed at one time that with all the cheese, butter, linseed oil, tobacco, etc., that have been accumulated, the storage for each hour of the day and night amounted to $23,000. That did not include such major items as wheat, cotton, corn, and other grains which we were giving away under the Marshall Plan or to ECA countries.

What we have in mind is that the Research Department is accomplishing wonderful things for agriculture, and we are gradually developing wider outlets for many of our products, while at the same time giving consumers the benefit of this inventive genius. For example, new processing methods worked out by Bureau scientists make the shrub guayule, which grows well in the Southwest, definitely promising as a domestic source of high-grade natural rubber. Improved methods of extracting and processing crude rubber from the guayule plant make it possible to produce natural rubber from this domestic shrub that compares in quality to imported plantation rubber. Besides this, we have just been informed that a mold-enzyme process devised in the Bureau's laboratories converts grain to industrial alcohol, critically needed for defense, at less cost than conventional methods. This new grain-fermenting procedure has proved successful in large-scale commercial trials. Also nonsoap detergents, made with constitutents of corn and animal fats, offer potential new outlets for these farm commodities.

If anyone is interested in reading further on some of these amazing developments we suggest that he obtain the annual report of the Bureau of Agriculture and Industrial Chemistry for the fiscal year 1950, released today by the U. S. Department of Agriculture.

When our market opened this morning prices were rather firm for most cereals. Temperatures in the Southwest had not dropped as low as had been forecast. Readings of 10 to 15 degrees Fahrenheit were quite general for Kansas with somewhat higher recordings in Texas. It looks as though weather would warm up by tomorrow afternoon, but there is no indication for any immediate moisture. Therefore, this factor, plus inflation, seems to influence traders in their operations. There has been some rather sizeable business in wheat for export, which meant removal of hedges in the pit; also, some corn has been sold. All these are factors of a stimulating character. As much as 4 cargoes wheat were reported sold to the U.K., which included some red wheat at Baltimore and some soft white wheat on the Pacific Coast, shipment to be made during February and March. Holland also bought a cargo of wheat at the gulf.

Broomhall reported that there were very few complaints due to damage on the European Continent. Weather is now quite cold and snow would be welcome. In the U.K. it has turned cold again with some snow protection; it is generally figured that spring plantings will be heavy. Weather in France is cold, snow is wanted to insure against February frosts. The crop situation is considered favorable although condition of wheat slightly below last year. Wintery weather is reported in Germany.

Primary receipts of wheat today totaled 517,000 bu compared with 551,000 bu last week, and 530,000 bu a year ago. So far this week Kansas City and Minneapolis stocks showed a net decrease of 117,000 bu.

The Kansas Weekly Crop Report mentions that wheat is in a dormant condition and the extent of freeze damage, if any, from the sharp drop in temperatures cannot be evaluated until later. Flour business is still draggy, and bookings are limited. However, according to the Southwestern Miller bakers are showing interest in filling their remaining needs for the crop year. They further report export flour business small.

Although grains did not show much of a change at the opening prices in all pits firmed during the session particularly wheat and beans, the latter going into new high ground for all futures. There was no other grain news, nor were any new statements forthcoming from Washington with reference to ceiling prices.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, February 8, 1951.

Shipments of wheat and flour during the past week were running about the same as previously, with 5 1/4 million bu reported cleared. According to Broomhall this brings the total to 132 1/2 million bu since July 1st compared with 196 3/4 million bu a year ago. Thus, it is quite obvious that there has been a distinct lag, and to-date we have fallen behind by about 64 million bu. We have called attention to this for some time, figuring that it would be difficult tomake up any loss incurred by the lighter shipments which have taken place up to now. There is a much better demand from abroad than recently, and a good many countries probably waited too long to obtain their supplies. The trouble is that there is congestion at ports, and we doubt very much whether all countries which require wheat can be accommodated. It was almost a foregone conclusion that with the low quality crop in Canada there would probably be a greater demand from here, but many of the countries were slow to make this observation. Yesterday, however, when England bought about 1 1/2 million bu wheat outside of IWA subsidy, it showed that either there was a keen interest in obtaining wheat here or else they were possibly frightened that if they waited too long our prices would rise to the ceiling and they might have difficulty in making purchases. Some had considered it possible that Britain might have made a loan to India and they were acquiring this wheat from us on the full market price. Naturally by not getting advantage of the 75¢ per bu subsidy it makes very high-priced wheat, particularly when taking into account that freight rates have risen to about 50¢ a bu. The fact is that there was further business this morning to the U. K., and apparently these purchases also were outside the IWA quota.

All this has engendered bullish enthusiasm giving rise to the possibility that Britain, which is generally a shrewd buyer must see something to account for this unusual activity. Last week Russia exported via the Black Sea 1.1 million bu wheat, but it went mostly to countries such as Italy, Egypt, and Poland, and by far the largest amount this season has been destined to Italy. Australia recently has revised downward estimates of the crop, although taking into account a bigger carry-over reserve, they started their season with a surplus of 147 million bu compared with 158 million bu a year ago. In the first five weeks of the crop year 12 million bu was cleared from that country, nearly double the shipments of last year during the same five-week period. That wheat went mostly to Britain, India and Egypt, while the flour went to neighboring countries and to Egypt.

Mr. Hoover has been in Washington trying to figure out a way to relieve starvation in India and made the comment that this country has never let anyone down when he was in distress. Just how we could speed up our shipments in view of present difficulties at the ports is something that we cannot answer.

There was nothing much in the overnight weather but itlooks as though some moisture would occur tonight or tomorrow over portions of Nebraska and Kansas, possibly confined largely to the eastern sections, and might be light. This did not have much market influence, as most attention was centered on the improved demand from abroad and the fear that ceiling prices might be reached.

Primary receipts of wheat amounted to 822,000 bu compared with 547,000 bu last week, and 654,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 175,000 bu.

In today's trade corn was the leader; while there were some reactions at times export business seems to be taking futures out of the pit, and it goes further because cash corn basis at St. Louis has firmed considerably indicating that against foreign sales actual corn is being accumulated. Flour mills are doing only a modest business, apparently buyers are not willing to follow recent advances, but at the same time domestic consumption remains constant.

The railroad strike is not completely settled yet, but the President issued a rather stern order to the Army that workers who remained on strike would be dismissed and lose seniority rights unless they could prove that they had actually been sick.

The Kansas Weather Bureau gave precipitation, and the average for the month of January was .75 inch, which is about .09 inch above normal. The important thing is that the period prior to that had been a very dry one. In spite of some forecasts for moisture, the deferred wheat futures were stronger than the nearby.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Feb. 9, 1951.

After the close of the market yesterday a report came from Washington that a top government grain expert had forecast that our wheat and flour exports for the current season would total 300 million bu, the same as a year ago. Previously officials had been claiming only 250 million bu shipments, but apparently the upward revision is being predicted now due to the better demand from abroad, particularly the heavy purchases recently by the U. K. This, of course, is due to the poorer quality of Canadian wheat so that the traditional heavy selling by Canada to Britain has not been taking place this year. In these calculations India has not been considered, although there are still negotiations to relieve starvation conditions in that country, and naturally any additional quantities that might be shipped to that country would further reduce our prospective carryover on July 1st of this year.

It might be well at this time to study the detailed analysis of wheat distribution. During the first six months of the season, feeding of wheat to animals has been less than 32 million bu compared with 58 million bu a year ago. The amount used for seed was 59 million bu, an increase of 2 million over the previous season. Exports were 109 million bu, a reduction of 60 million from the previous season. Flour used domestically was about the same. Total uses were 454 million bu, which was the smallest since 1942 and compared with 540 million bu last year. We imported 1 1/2 million bu during the first six months of the season, which was somewhat more than the previous year, and the stock of wheat on hand January 1st was 997 million bu vs. 908 million bu last year. Projecting the export picture a little further ahead, we are unable to use official data or statistics, but based on Broomhall's reports we find that in seven months our shipments were 132 million bu, a reduction of 64 million from the previous season, and we may only conclude that if total clearances are going to be 300 million we shall ship 168 million bu in the remaining five months. This, of course, would be a heavy schedule, and there is some doubt expressed whether we can accomplish that goal. Ordinarily the heaviest movement for export is during the first six months. Of course, there is very little competition now either from Southern Hemisphere countries or from Canada, but the question of availability of boats as well as possible shipments domestically from country points to the seaboard are factors that may have a bearing on our total business.

In any case this all had a somewhat bullish influence on the market when we opened this morning, particularly since there was no moisture forecast for the next day or so covering southwestern areas, and the five-day outlook was not too hopeful, although a little precipitation in eastern Nebraska and Missouri is expected. Weather over the corn belt will be generally fair and warmer by tomorrow.

There have been rains recently in Argentina and this has materially improved the general corn crop outlook, particularly in areas where dryness has been causing concern. Some private estimates now place the likely outturn close to 200 million bu compared with last year's virtual crop failure of 33 million bu, and a prewar average of around 300 million bu. In some of the early districts the corn crop is almost assured now and harvesting will get under way rather generally during the next month.

All other news was superseded by an announcement from Washington during the session that government price controllers expect to fix ceilings on trading in four commodities today or tomorrow: namely, cocoa, coffee, soybeans and soybean meal. It is intimated that soybean prices will be rolled back somewhat by the order, one spokesman stating that beans are currently selling at about twice the price of corn and the ceiling price will reduce this to somewhere between 175 and 200% of the corn parity price. The ceiling on soybean meal will possibly be set high enough that it will still remain free of controls. By the first of the week, the OPS is expected to issue orders setting ceilings on soybean oil and cottonseed oil. An official stated there would be a substantial roll-back in soybean oil prices, which have risen sharply since the general ceiling price regulations were issued some two weeks ago. Furthermore, the price controllers have called corn and oat dealers to a meeting next week to discuss ceiling prices for those two commodities. Although both are selling below parity prices, they are so close to same that the officials feel that ceilings will be needed very shortly. Speaking for wheat, one of the top commodity consultants of the OPS doubts that wheat is likely to reach parity and thus become subject to price ceilings unless the government buys 2 million tons of wheat to relieve the famine in India. However, the same authority does not see how the shipments could be made without withdrawing boxcars from other defense shipments.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 February 13, 1951

The Exchanges were closed yesterday in memory of Lincoln's Birthday, but yet a good many things occurred over the holiday. First of all, the weather changed for the better over southwestern sections of the country, and we now find that both of the five-day forecasts issued last week were bad, and diametrically opposite conditions later reported. For example, the forecast made a week ago suggested considerable precipitation, and yet we had hardly enough rain or snow to cover the ground in a few spots. The Friday's outlook was for mostly dry weather while actually light to moderate snowfall has occurred, up to 3 or 4 inches over Kansas and Nebraska. It looks as though more snow would fall over the west portions this afternoon and tonight, and, therefore, might extend to Oklahoma and even parts of west Texas. Other news was the publication of ceilings, with a top limit of $3.33, basis Chicago for soybeans, 20.50¢ a lb. for soybean oil, and 26.40¢ for cottonseed oil.

This naturally restricted trading operations, although the deferr ed bean months reacted a little, but we believe that considerable attention was paid to the President's request that an authorization be granted for the shipment of 2 million tons grain to India. Mr. Truman requested 1 million tons shipped in the near future, the balance to be discussed later. Thus there may be 35 to 40 million bu involved in these transactions, but as far as wheat is concerned, it may come mostly out of CCC holdings; therefore, would only be bullish to the extent that our carryover would finally be reduced. We have expressed doubts in the past that this country can ship 35 million bu wheat and flour monthly, which would have to be the program if the total goal of 300 million bu were met. With the shortage of freight cars at home, ports working to capacity, and boats not always available, there is some doubt that as much will clear as may be wanted.

Prices received by farmers advanced 5% from the middle of December to mid-January. The index is now 21% above June and since food prices constitute abou 40% of our family budget, it is naturally a very important item. It is quite true that wheat and corn, together with some other cereals, have not yet reached parity levels. Much is said and written about parity and millions of dollars spent in trying to get an accurate computation to balance the things that the farmer buys as an offset to the commodities he grows. There has never been any adjustment for the improved farm methods employed, including more tractors, better fertilizers, rust-resistant wheat, hybrid corn, etc., all of which are giving us much better yields than during the base period. For example, we were raising only 14.22 bu wheat per acre in the average 1909-14 period. During the last ten years we averaged 17 bu per acre. Thus it is not right to balance a bushel of wheat against the articles farmers buy if we are honestly trying to compute parity income. In corn with better varieties of seed used, we find that during the 1909-14 base period we raised only 26 bu per acre, while during the last ten years yields amounted to 32.9 bu per acre, with much higher retur in 1949 and 50, when we obtained 38 bu per acre. We could go on to other cereals, and for example, in oats last summer 5 more bu per acre were harvested than in the base period; but it all goes to show that the farmer has been given more consideration than other segments of our population. In such instances where the 1909-14 base period did not figure advantageously, other years were chosen.

It is not surprising, therefore, that the housewife is finding it more difficult to do her job even with an increased budget. The Secretary of Agriculture in announcing crop production goals recently suggested a 15.6% increase in spring wheat for next summer, 53.1% acreage increase for cotton, 6.7% increase for corn, and a similar decrease for oats.

When the visible supply of wheat was posted, there was a decrease of nearly 3 million bu cutting total stocks to 194.6 million bu compared with 173.6 million bu last year. Corn showed a small increase with total stocks in various positions 65 1/2 million bu compared with 44 1/4 million bu last year. Oat stocks decreased 218,000 bu leaving 14 3/4 million bushels in the various markets and about 1.4 million bu more than last year. Chicago wheat stocks have been reduced to 8 1/4 million bu. Corn stocks locally have risen to 14 1/2 million bu plus 238,000 bu afloat. Rye stocks increased slightly to more than 5 million bu while beans were reduced to 4 1/2 million bu plus 765,000 bu afloat.

Trade was not particularly active but outside of beans new high prices were made for almost all cereals. The ceiling psychology definitely scares those who are short and there must have been considerable covering while in wheat the possibility

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

of le avy shipments to India also created a bullish sentiment. All this overcame furthe moisture reports during the session. Under these circumstances forecasts are very difficult to make.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Feb. 14, 1951.

The drought in the Southwest has broken, and while all sections did not receive ample moisture following a prolonged dry period, the outlook has certainly improved. Moderate to rather heavy snowfall has occurred over Kansas, Oklahoma, and Texas during the past 24 hours. Precipitation visited the Texas Panhahdle, and there was considerable sleet and snow also east of the Mississippi River. The outlook is for clearing conditions Southwest tonight and Thursday, except some additional snow in Texas this afternoon and late tonight. Temperatures generally will become more moderate.

All this failed to have much market influence yesterday, and ceiling psychology is something that is rather difficult to explain, particularly during periods of inflation. Our dollar is softening in the world markets, and recently we have lost a considerable amount of gold, as we were not willing to pay as much as some of the other countries. It is true that inflation is world wide, but generally speaking many of the nations which have been receiving dollars are hurrying to convert their money into U.S. goods and commodities. There has been a rather wild scramble lately to obtain wheat from here. After all there were legitimate reasons for it, as Southern Hemisphere countries are pretty well committed, while Canada does not have any large quantities of high-grade wheat to offer. The Chief Commissioner, Mr. McIvor, stated that the Wheat Board in that country had practically withdrawn high-grade wheat offerings for the balance of the crop year. They were experiencing some difficulty in providing mills at home with enough suitable wheat to meet domestic and export demand. This probably explains why Britain made purchases here during the past ten days, even without obtaining the export subsidy. Our government in the meantime has cancelled export subsidies on wheat, and we have been told that it may only be temporary for purposes of obtaining inventory and tabulating supplies still on hand. However, subsidies are still applicable to flour exports, and so the business abroad will not be entirely cut off. Yesterday's order does not affect any foreign business that could be done on basis of full market prices being paid.

In any case, all this caused further uncertainties at a time when the trade is already nervous and bewildered. Almost everything that has been done lately has been of an inflationary character. CCC's refusal to sell stocks of wheat on hand on the theory that we were building up a reserve for national emergency came just at a time when apprehension had already existed, and psychologically this had a big influence in bringing about a higher price level. If we had taken other steps such as placing a ceiling on parity, or cutting down foreign shipments it might have been quite a different story. For many months past we have granted a subsidy of 60 to 75¢ a bu in order to encourage shipments, even during a period when the outcome of the next crop was extremely uncertain, and during a period of intense drought. It is because of all these government actions that our markets are often erratic, but in any case, we doubt very much whether the total shipments for the season will reach the figures that are now being discussed. Shipping space is the main bottleneck, although some hope is held that enough new boats may be put into service to increase the clearances to a rate of 45 million bu a month by next May.

Somehow, even with the large number of animals on feed, our consumption of corn and oats are not keeping pace with last season. We have previously given the corn figures, but on basis of the USDA resume for oats, we find that for six months the amount used for feed was about 694 million bu, or a reduction of 17 million bu from the year before.

No particular grain news developed during the session, and trade was of very light character, with many traders preferring to stay on the sidelines. Flour sales were also limited, but it is thought in some quarters that there will be an increase in flour export business, with subsidies still applicable to same. In Broomhall's Foreign Crop Summary he states that changeable weather conditions have continued in some parts of Europe, but the overall situation is fairly satisfactory, although the general outlook is somewhat below last year. An effort will be made in the U K to put in a large spring acreage to offset the deficit in fall planting.

Primary receipts of wheat totaled 872,000 bu vs 517,000 bu a week ago, and 732,000 bu on comparable day last year. So far this week Kansas City and Minneapolis stocks show a net decrease of 14,000 bu.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 February 15, 1951

During periods of emergency, it is necessary that we conserve manpower, particularly when there is such a stringent fight against inflation in order to get the maximum production of our economic capacity. We are fearful, however, that the government is not practicing economy or taking all safeguards to bring about the best results. The House Committee on Post Office and Civil Service has stated that the Executive Agency could do a better job with fewer employees. They pointed out that improved labor-saving techniques have not been placed in general practice. Actually the federal government has been filling new civilian jobs at the rate of more than a thousand a day since June 30th. If the President's $71 1/2 billion total budget for 1952 is adopted by Congress, it is expected to add, roughly, 500,000 more employees to our huge total by end of the next fiscal year. In his manpower mobilization directive of January 17th, the President urged all employers, both private and governmental, to eliminate overmanning and overstaffing. "Conservation of our human resources," he said, "is of vital importance in any prolonged effort to keep the strength of the U.S. at a high level." Is it not necessary, therefore, that the federal agencies take this to heart as sound advice in the nation's interest?

Before our market opened this morning, there were further reports of moisture Southwest, the heaviest snows probably occurring in central and eastern Oklahoma, but there was also more snow reported over many parts of Kansas, although the Texas Panhandle did not receive much. In any case there was some early selling of July wheat, and it is generally felt that the severe drought has been at least partially broken.

According to Broomhall, the U. S. wheat and flour shipments for the week were a little over 5 million bu, bringing the total to 137 3/ 4 million since July 1st compared with 202 1/4 million a year ago. Since about 7 1/2 months of the crop season are now over, it remains to be seen how much we can send during the remaining 4 1/2 months. Undoubtedly the demands are heavy and unusually so for U. S. wheat, which after all comprises the largest supply of high quality grain. Nevertheless, if we feel that supplies should be conserved as a national emergency, and apparently this thinking prevails with the export subsidy recently withdrawn, there might be steps taken to bring about the most efficient results. It seems ridiculous that wheat should be shipped from here to India, a long haul, when actually Pakistan has a substantial surplus of grain which could be sent to India much more easily if friendly relations could be arranged and the foreign exchange obtained on a reasonable basis. Moreover, starving people do not demand the best of food; therefore, it looks to us that if Canada is going to carry over a large quantity of low-grade wheat, this might be sent into the distressed areas, and certainly it would afford some nourishment even though poorer wheat would not make good quality flour.

Southern Hemisphere countries are fairly well committed, and Australian shipments for the fortnight ending February 3rd were nearly 6 million bu wheat and flour. There still remains for export and carry over 128 million bu compared with 149 million at this time a year ago, and 135 million bu two years ago. If more stringent measures continue with respect to our own wheat shipments, it might mean finally heavier clearances of rye, milo, and corn. It might also increase the interest for barley, and our exports since July 1st have been only 12 1/2 million of this cereal vs. 18 1/2 million the year before. Since the beginning of the crop-season only 1 1/ 4 million bu rye has been shipped abroad against 4 million last season. Oat shipments have been less than a million bu compared with 11 3/4 million last year. Corn exports make a somewhat better showing, and since the 1st of November, 39 million bu has been shipped, but even this is smaller than last year; at that time we had exported 48 million bu.

Primary receipts of wheat were 985,000 bu compared with 822,000 bu last week, and 363,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 106,000 bu.

The early weakness was short-lived, and late in the session new high records were made for corn and oats. This had a stimulating effect on wheat futures; a good many people are impressed with the possibility of heavy shipments abroad, figuring that we are the only country which can take care of foreign demand in any quantity.

There were a number of reports calling attention to snow and sleet over parts of Kansas. At Great Bend 3 to 4 inches of wet snow was on the ground, and Wichita claimed it was snowing hard there. The weather forecast was also quite good, with a lot of sleet and freezing rain expected over wide areas. Austria bought 2 cargoes

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

of corn and 3 cargoes of milo from the Gulf.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 February 16, 1951

The same type of news prevailed this morning when traders came to their offices. There had been additional moisture reported Southwest, although not much in the Texas Panhandle, and unless there is relief shortly we would imagine that complaints will be heard. Late yesterday there was considerable optimism about snows that had occurred over central and western portions of Kansas. This morning we heard that Salina had a 5-inch snowfall, 3 inches at Hayes, and 8 inches at Russell, with lesser amounts in other districts. All this came at a time when the Weather Bureau had been rather pessimistic about a change. Now they seem to think that the trend has definitely turned and that we may be in for a period of spring rains, but it is too early yet to be sure on that score. This is particularly true when the five-day forecasts are comparatively inaccurate, but in any case we may conclude that definite improvement has occurred.

There are other factors at the present time that seem to outweigh crop developments. The fact that corn and oats are close to ceiling levels brings up the possibility that the market may become frozen the same as it has in beans. Just how that would affect business is difficult to say. Those exporters who have not lifted hedges might be afraid to offer abroad until they could accumulate actual corn from the country. We also understand that while a bipartisan report has approved tentatively shipment of 2 million tons grain to India, there will be a delay in getting Congressional action as first consideration will be given to sending our troops to Europe. We have heard from sources we believe to be reliable that part of the Indian program constituting wheat would come out of government stocks, except possibly if shipments were made from the Pacific Northwest where CCC would not have sufficient holdings. A good part of the gift might be in the form of milo, of which there is still a large stock in Texas.

Naturally with all these factors continually in the foreground, nobody is selling short, and, indeed, a good many long lines have been built up, which might give us a more vulnerable market should there ever be a change in the situation. There is no certainty that with corn prices high that all farmers will gamble on feeding hogs and cattle, with the possibility of ceilings held rather tightly on meats. Therefore, there are some students who still believe that there may be further country selling of corn later on, although generally stocks that are held beyond the April tax period do not create much pressure on the market, for the reason that they are often small.

Great Britain was reported as having bought a small quantity of Argentine wheat at a price equivalent to $2.29 a bu, but the volume is believed to have been very small. Canada will not undertake to sell any more millable wheat for export from Atlantic or Pacific Coast until July clearance. This means we are about the only country that has much high grade wheat for sale, and it caused a little more bullish sentiment, particularly when Winnipeg rye prices advanced 5¢ a bu right after they opened, reflecting the possibility that Europe might be compelled to take cereals other than wheat.

The Department of Agriculture announced a 90% of parity loan for the 1951 corn crop, and stated that it would be at a minimum of $1.54, although amplified the statement by saying that if by October parity went up the loan price would also advance. This compares with $1.47 the average farm price last season. Apparently encouragement was being given farmers now in order to get an increase of 6 million acres in planting. The Secretary also announced loans for 1951 on other grains that would not later be changed. For example, oats 72¢, rye $1.30, barley $1.10, and grain sorghums $1.88. These were slight increases for oats, rye, and sorghums, but an unchanged figure for barley.

Primary receipts of wheat amounted to 916,000 bu compared with 897,000 bu last week, and 447,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 149,000 bu. When the wheat visible is posted on Monday it will compare with a decrease last year of slightly over 3 million bu.

Trade was reasonably active, and firm prices prevailed. It was reported that Washington would probably release figures shortly on ceilings for oats and corn, the latter probably ranging from $1.90 to $1.92 basis Chicago. There, however, was no confirmation of this, but with better domestic business, and also some exports, futures were in good demand. There was a complete change in the Chicago corn basis, with May price to 2¢ premium paid for straight grades. Actual sales reported #2 yellow corn about 2 1/4¢ over the May future. Flour business continued slow, but

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

yet our May wheat gained on the deferred months, and very likely some export flour is being booked, although we understood that the volume was not extremely heavy.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Feb. 19, 1951.

Frank Chodorov, makes some interesting comments on PEACE OR POLITICS, in the December 1950 issue of "Analysis." Part of his thoughts are quoted here: "Peace is the business of Society. Man has learned that the task of life is easier of accomplishment through the exchange of goods, service and ideas. The greater the volume and the fluidity of such exchanges the richer and fuller the life of every member of Society... It is in the market place that man's peaceful ways are expressed. Here the individual voluntarily gives up possession of what he has in abundance to gain possession of what he lacks. It is in the market place that Society flourishes, because it is in the market place that the individual flourishes.,... Any intervention in the sphere of voluntary exchanges stunts the growth of Society and tends to its disorganization. It is significant that in war, which is the ultimate of politics, every strategic move is aimed at the disorganization of the enemy's means of production and exchange - the disruptionof his market place. Likewise, when the State intervenes in the business of Society, which is production and exchange, a condition of war exists, even though open conflict is prevented by the superior physical force the State is able to employ. Politics in the market place is like a bull in the china shop..... The essential characteristic of the State is force; it originates in force and exists by it.... Intervention in the market place can do nothing else than to create friction. Friction is incipient war."

There was not much grain news over the weekend; while there had been numerous rains reported over the corn belt, the Southwest did not fare as well, although some moisture occurred in Oklahoma. Conditions are more unsettled, and chances are that further precipitation may fall. All this, of course, improves the prospects of our winter wheat crop. We do not pay too much attention to the long-range forecast because it seems to be more or less guesswork; yet the U.S. Weather Bureau map covering the period frommid-February to mid- March indicates a heavy amount of rain for the entire grain belt excepting that area south of Montana which is in the Rocky Mountains. Therefore, it includes all of the Southwest except the extreme western edges of Texas, Kansas, and Nebraska, but even moderate for those sections.

There is still a good deal of talk of heavy prospective shipments of wheat and flour before end of the season. In our opinion the ability to get railroad cars for hauling commodities to the seaboard will be their major problem. According to the Bureau of Agricultural Economics we had after a year's allowance for seed and feed 766 million bu wheat on hand February 1st for milling, export, and carryover. This compared with 716 million bu for the corresponding date last season; in other words, 50 million bu more at the present time, and one can only conclude that even if our clearances would be 50 million bu greater than they were a year ago, we would still have a reserve stock on July 1st of 420 million bu, or the same as last season. This, to us seems like a task almost impossible of accomplishment. It was reported that India and Pakistan were getting together for discussions on exchange of trade. Relations were broken off at the time India devalued the rupee in mid-1949. This is rather encouraging because Pakistan, which formerly was a part of India, has good quantities of grain that could be shipped at far less cost than from other surplus countries. We do note that IWA sales indicate of the 36 1/2 million bu recently sold, India was the principal buyer, taking nearly 18 million, so that even before the gift of 2 million tons had been arranged, they apparently were in position to take care of some of their future needs.

When the visible supply of wheat was posted, there was a decrease of 5 3/4 million bu. This leaves stocksin various positions 189 million bu compared with 170 1/2 million bu last year. Corn increased more than 2 million bu to a total of 67.6 million bu compared with 43.9 million bu last year. Oats showed a small decrease with 14.7 million bu in all positions compared with 12.6 last year. Chicago wheat stocks declined 285,000 bu to slightly less than 8 million bu. Corn locally showed a small decrease but there is still 14 1/2 million bu here and 468,000 bu afloat. We have only 1 1/2 million bu of oats in Chicago but nearly 5 million rye in elevators and 663,000 bu in boats. Beans declined a small amount leaving 4 1/2 million bu in elevators and 765,000 bu in boats.

Trade was quite active and there was liquidation probably on improved news from Korea and the hope that peace might not be too far away. All cereals shared the decline but wheat was the leader and Minneapolis likewise was very weak. We heard from several sources that the country selling Northwest was good.

Could not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

It was really the first time since the ceiling psychology has been a factor that the market did not rebound sharply after selling subsided. UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, February 20, 1951.

We have stated in some of our recent market letters that popular psychology changes very quickly and sometimes without much warning. Even on the early break this morning, July wheat was about 57¢ a bu higher than last year, which seems like a tremendous increase in price considering that there is now more wheat in the country than there was last season and that meanwhile crop prospects have been materially improved. Nobody can say for sure whether the market will hold up sufficiently well to enable farmers to redeem wheat presently impounded. Very often farmers overstay their markets, and even now offerings in the Southwest are rather light, but before the days of artificial support we had often found that the selling increased after several days of successive declines. At Minneapolis they tell us that the country selling was just fair and that mostly stored wheat came out. Country receipts are light on account of bad roads but on the other hand there was some pressure on the market, probably the re-instatement of hedges by those who had covered earlier because of fear.

There was considerable selling of corn futures in Chicago, probably for the same reason, and a good many industries we were told took in their hedges rather than to take the chance of getting locked in, so that with the market lower now and further away from ceilings they may want the protection that is afforded by a futures contract. This in time should give us more normal markets, and in our opinion we never would have had these sharp advances except for the "scare buying," which was prevalent not only here but also abroad. We are convinced that a good deal of the recent export takings were due to fears that if anything happened by way of ceilings being reached foreigners might not be able to obtain grain in this country. Actually we are about the only merchandiser of high quality wheat, and unfortunately the better grain in Canada has been held back on the farms, while the feed wheat and frosted wheat has come forward, and this apparently is not too easy to sell. Finally Canada may have a larger carryover of good wheat than is anticipated at the present time.

We understand that an effort has been made to require permits before additional export sales are made. It looks at least like a temporary delay, and from the information that has come to us, exporters have agreed not to sell anything, and there is even talk that some of the recent sales might be cancelled. This has come about owing to the fact that exceptionally large sales have handicapped shipments from here that had been destined for relief purposes. We also pointed out that while the buying flare was in full progress during the past week or two the government might have allayed some of these fears had they continued to sell stocks they owned and which, after all, were a perfectly valid reserve for just such purposes. We estimate that there must be 235 million bu wheat and possibly more than 500 million bu corn in government hands, which could have been fed out slowly without any intent of breaking the market but to cushion advances rather than permitting an approach to ceiling levels. After all, the government wheat holdings are as large now as the average carryover in the ten years prior to the war, and regardless of national emergency with a prospective carryover of 450 million bu on July 1st, there is no necessity nor requirement to carry that much grain. If the government holds 500 million bu or more of corn it is twice as much as the average carryover reserve in normal times, and that, too, seems unnecessary in view of the fact that corn is a perishable commodity and has limited keeping qualities.

Primary receipts of wheat were 950,000 bu compared with 2,572,000 bu last week following the Lincoln Holiday and compared with 802,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 32,000 bu.

While the wheat market was weak, there was some recuperative power here in Chicago, although the outside markets like Minneapolis and Kansas City, responded reluctantly. We heard that under the new export program the government has in mind attaining a more fair distribution to thevarious participating countries and apparently exporters, including the government itself, has more grain sold for overseas shipment than they could possibly ship to meet present commitments. There were reports that nine cargoes of flour sold recently to Italy had been cancelled.

Weather on the whole was considerably better. They had four inches of wet snow in parts of Kansas but the moisture was confined mostly to eastern and central areas and the same was true of Oklahoma, although western Texas did not benefit much. However, the five-day outlook is quite optimistic, and if realized, there should be some precipitation in western Nebraska and western Kansas later in the week.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Feb. 21, 1951.

There is no doubt that we have had a good deal of emotional buying in all of our markets ever since Korea. While our operations in the Far East are termed "police action," it must be admitted that a certain war psychology is attendant, with casualties estimated as high as 50,000 men, including those missing. During any war when there is a good deal of wastage, agricultural prices generally advance, although we had a period during the last World War when our exports of wheat and flour were very small due to shipping difficulties, but even then there were several years when the feeding of wheat was very high because our allies wanted concentrated foods and we sent a considerable amount of meat to Russia and other countries. It is quite doubtful in our minds whether the exports have been much larger since Korea except that supplies were sent to our soldiers fighting in those areas, and actually shipments of wheat and flour during the first 7 1/2 months of the crop-year have been rather disappointing compared with the previous three or four seasons.

Nevertheless, speculation was in the market with inflationary forces at work, and also, disappointing yields in Canada where a frost hit that crop during early August and cut down considerably the quantity of merchantable wheat. According to the preliminary Canadian government report, there was 490 million bu wheat raised in the summer of 1950. This was the largest crop with the exception of 1942 when 556 million bu was raised, in 1940 when the yield was 540 million bu, and the bumper crop of 1928 when 566 million was harvested, but yet there may be 175 to 200 million bu this season, which is only good for feeding although some of the No. 5 wheat could probably be used either in admixture with good grain or at least to furnish a low grade flour. It is our opinion that farmers have held back much of their good wheat and have sent forward that part of the crop which probably had poorer keeping qualities, so that at this time it is difficult to get a really true picture of the Canadian situation. We venture to say, however, that with exports from that country held down, there may finally be a larger percentage of good wheat in the country than some of the experts had anticipated. In the meantime all this has created a better demand for U.S. grades, but unfortunately this demand came late in the season when our port facilities were already taxed to capacity. Those who have spent a lifetime in the trade have learned that in normal times we have to ship most of our wheat during the first six months of the crop-year, or in other words between July and the following January. If the export business does not develop early much of the grain tributary to gulf ports finds its way to the interior, and it, therefore, costs more later on to put it back in shipping position. Not only is the expense greater, but it also taxes railroad facilities, particularly at a time when there are acute shortages of rail transportation.

The Australian crop is now officially estimated at 183.4 million bu compared with 217 million bu last year and 191 million two years ago. Excessive rains reduced the yield and lowered the grades. However, with a bigger carryover total stocks at the beginning of their crop-year were almost as great as a year earlier. Broomhall's European Summary claims mostly favorable conditions but mentions damage which is expected in some parts of Western Europe, probably a considerable amount in some areas due to unfavorable weather. There are indications of dryness Southeast, while heavy rains in the U. K. are preventing preparation of soil for spring planting, which is quite backward. On the other hand, winter grains appear healthy. France, which is one of the most important countries, is described as favorable, and recently that country has sold some wheat to Germany for seed, and also 20,000 tons for feed. Black Sea export last week were nearly a million bu for European destinations, also 450,000 bu barley to the U.K. The total of all grains exported since August 1st is 23 million bu vs. 28 million last year.

Primary receipts of wheat were 576,000 bu compared with 872,000 bu last week and a holiday last year. Kansas City and Minneapolis stocks so far this week show no net change.

Markets were all very weak early, there was further selling in the various pits, but later in the day when the weekly crop bulletins were issued for some of the southwestern states it brought some buying as condition of the crop is not regarded as too good, although possibly all of the moisture had not yet been taken into account. Also there was a little bullish sentiment attached to the export schedule, which anticipated that toward July shipments of various grains might reach about 1 1/2 million tons per month. This would be quite a bit more than the current rate. However, in today's market the deferred futures gained on the nearby, and there was some evening up prior to the holiday.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, Feb. 23, 1951.

While domestic markets were closed yesterday celebrating Washington's Birthday, the Winnipeg Grain Exchange was open, and prices were considerably higher with rye going into new high ground for the season. This had some influence on our rye market this morning, but other grains opened a little lower, probably influenced by optimistic weather forecasts, indicating quite a little moisture for the Southwest. Not only is the immediate prediction favorable, but also, the five day outlook calls for rain or snow over many parts of the winter wheat belt, although not too much is expected for west Texas. It has been extremely dry in the Texas Panhandle for a long period, and a good rain now would change the picture as we come closer to the growing season. There was also attention given to the calendar, as February 22nd is very often a period when rising prices start. This comes about owing to the fact that we enter the period of crop scares, and whenever there are reports of high winds or other factors that are adversely construed it generally incites buying, although we have had so many disappointments lately that the calendar alone is really not sufficient on which to base one's operations. January 10th is the period at which declines very often start but certainly that was not the case, and even now most grain values are not far from the highest levels of the season.

Wheat and flour exports from the U.S. were close to 9 1/2 million bu for the past week. This was the largest in a long time and it brings the total to 147 million bu that has been shipped from here since July 1st compared with 201 million bu a year ago. Since the beginning of the world crop season, which was August 1st, the various exporting countries have placed 361 million bu afloat compared with 400 million a year ago, and this indicates the general slack in shipments for that period, and probably explains also why current needs seem to be greater, particularly with not much offered from any of the other exporting countries. During the period under survey, Canada shipped 105 million bu against 128 million last year; Australia shipped about 70 million compared with 57 million bu last year: Argentina 47 million vs. 37 million a year ago; and Russia 10 million, or an increase of 4 million over the previous season. While there has been some export business in corn daily we find that the total since November 1st is only 40 million bu, a reduction of 8 million from the year before. However, soybeans were in heavy demand, and also figuring November 1st as thestart of the season, 10 million bu has cleared while a year ago only 4 million bu was shipped. Oat and barley clearances were smaller than last year, and were not particularly heavy, while only 1 1/4 million bu rye has gone into export channels.

There was a report from Ottawa last Wednesday that the External Affairs Minister had proposed to send Canadian wheat to India and Pakistan. Such a move, he said, would be financed from the $25 million Canadian fund set up for various contributions under a plan to develop South and Southeast Asia. The proposal was rather vague because the Minister claimed that Canada was not in position to know what type of wheat was available this year, nor what might be grown next season, and, therefore, it had little effect marketwise.

Reports from Washington indicated that we were considering licensing controls on railroad shipments of grain in an effort to curb less needy supplies and giving preference to grains that were urgently needed. It would mean cutting down shipping space for a good many items, but if undertaken would interfere with a considerable amount of normal traffic. Apparently our foreign sales for February and March are far in excess of what can be appropriately handled at ports.

Primary receipts of wheat were 1,322,000 bu compared with 916,000 bu last week, and 892,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 47,000 bu. When the visible supply of wheat is posted on Monday it will compare with a shrinkage last year of 1 1/4 million bu.

Markets were strong at one time under the leadership of corn, and country offerings of that cereal were light. Later on there seemed to be general liquidation on an announcement from Lake Success that the United Nation was reported to have made its first approach to Communist China to see if the Peiping government would reconsider and discuss Korean peace terms.

Flour business was fairly good, but there is still no wheat being sold for export, so that new business is being held down.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Feb. 26, 1951.

The main news over the weekend consisted of rains in the Southwest, with a good soaking in the Texas and Oklahoma Panhandles, those territories having been dry for some time. The precipitation was quite general over the Southwest; the winter wheat belt has been relieved in practically all spots now, and the moisture has come at a time when it is very beneficial just before the crop starts to grow. There were also rather general showers over the corn belt, and some light snow in the Northwestern states, but those areas had not been dry; therefore, attention was centered mainly on the improvement over Kansas, Oklahoma, and Texas. Previously the feeling was rather pessimistic, but we find at this time of theyear that it is so often. Even as late as April 19th last year one of the crop reporters in the field concluded that in his opinion Kansas could not raise more than 110 million bu, and that even with the best of weather Texas and Oklahoma were going to be very poor. We cite this as an example, because in Texas where the weather was adverse, the final results were bad, but in Kansas a crop of nearly 180 million bu was harvested, so obviously it is not always easy to come to any proper conclusions so early in the game. The same reporter on May 17th stated that Kansas had been way over-estimated, and he also doubted whether North Dakota would seed over 60% of the ground in time for a spring wheat crop. The final results in North Dakota were quite satisfactory, despite all the rain that occurred early, which prevented seeding operations from being accomplished at the usual time. We mention this because undoubtedly some of the same people will be extreme in their observations, just as was the case last year when greenbugs and other plant diseases were reported as being heavy in Kansas, it did not finally prevent the crop from turning out far better than had been earlier expected. True enough, the results further south were bad, but there was hardly a cessation of bad weather, and it is still doubtful, in our minds, whether the red spiders, pests, and mites, and other diseases were responsible for the calamitous results.

When our market opened this morning it was naturally influenced by the improvement in the crop outlook. Furthermore, India and Pakistan had apparently signed a new trade agreement, the treaty to take effect for one year. This will probably enable the shipments of wheat from Pakistan to India to relieve the hunger conditions in the latter country. It may also change the thinking here in the United States, and we doubt whether Congress will now vote the emergency funds for the heavy shipments of wheat, despite Mr. Hoover's report of some weeks ago.

Three of the big mills at Buffalo have been seriously handicapped by the car shortage, although we understand that operations have been resumed on a more or less hand-to-mouth basis, everything dependent upon ability to get cars a little later on. Storage facilities at mills are plugged, and the transportation at home has been extremely bad, this factor having become aggravated because new freight cars are not being built in sufficient quantity to take care of obsolescence. We have not built up a reserve during a period when industry was more or less free from controls. According to some experts the situation may remain bad for many years; therefore, we are going to require strategic use of freight facilities to prevent unnecessary hauls when artificial factors arise. We have called attention to the shortage of boxcars for more than a year, and have insisted that once grain is moved from Texas and Oklahoma to interior points that it makes later export business more difficult and creates wasteful transportation factors.

The visible supply of wheat showed a decrease of over 3 million bu, corn increased slightly, but there was a small decrease in oats, while rye stocks went down 156,000 bu, and soybeans decreased 105,000 bu. Total wheat stocks are 186 million bu, which is about 16 1/2 million bu more than we had on hand last year. Chicago wheat stocks are 7.8 million bu, there is more than 15 million bu corn here including the afloat stocks, close to 5 million bu rye, together with more than 5 million bu beans including that which is in boats.

Markets were quite weak early influenced by small exports, and favorable weather. Late in the session, however, there was some covering, and it seems that nobody is too aggressive yet on the short side, particularly in corn. It is felt that with parity prices coming out Wednesday, they will probably show an increase, which in turn would mean higher ceiling levels. Flour business seems to be rather poor.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 February 27, 1951

One of the greatest problems facing Washington today is the parity formula because by the very nature of the law there is no way of properly administering ceiling prices for foodstuffs until further advances take place. We have two strong forces at work. First of all, minimum price supports are already at such a high level, and far above the previous ceilings adopted during World War II, that it is almost a foregone conclusion that if large crops are harvested, impoundings will be heavy. This may lead again to large defaults, leaving the government in possession of a multitude of commodities on which storage must be paid. We believe at the peak about $4 billion worth of various items had been accumulated on which the storage alone amounted to about $200 million per year, or $23,000 per hour. The minimum price support for the 1951 corn crop will be $1.54. This is already 7¢ higher than the 1950 support, and will be raised further if parity increases by October. Corresponding supports for other grains are 72¢ for oats, $1.30 for rye, $2.45 for soybeans, and $1.11 for barley. Besides this price supports will be implemented through the usual loans and purchase agreements.

In these circumstances, those who are trying to fight inflation have a tremendous problem confronting them. When the parity concept was first considered, Mr. Murray contemplated a better relationship between the farmer and the man in the city. While himself a practical individual, he theorized on the possibility of balancing farm income with higher prices for goods that had to be purchased, and thought more in terms of the total farm purchasing power, which had suffered so in times of depression that on many occasions mortgages were foreclosed and the farmer lost his land. It was never the intent that every bushel of grain or every bale of cotton be balanced against those items which the farmer purchased, particularly in a technological age where through greater efficiency, better fertilizer, and more farm machinery, we were striving to increase the production for each acre of land, finally raising 50 bu of corn where previously only 32 bu were yielded.

No wonder, then, that Michael V. DiSalle declared at Des Moines that if farm and food prices cannot be stabilized under the present law, he will have no alternative but to recommend to Congress that ceiling prices be authorized below parity. In our opinion a much more appropriate method would be to revise the entire parity formula, which is now outmoded, but which continues to bring hardships on city people whose high cost of living has gone far beyond the scope of equity.

When our market opened this morning prices were a shade lower, but apparently there was no pressure from the country, and shorts are not aggressive still having in mind the possibility of ceilings, also parity prices will be published tomorrow and may show another increase.

Weather in the Southwest has cleared but the five-day forecast is favorable and it looks as though more moisture would occur. Meanwhile, temperatures are a little lower but still above the seasonal level for end of February. There are no important changes in the European crop outlook although Broomhall believes that some damage may be revealed after we have a spell of growing weather in western sections of the Continent. A heavy rain in the U.K. has prevented plowing for spring work and soil should have an opportunity to dry out. Conditions in France are somewhat poorer than last year but the general outlook remains satisfactory.

Exporters are meeting with government officials to discuss a permit system. It may take another fortnight before business is resumed. Meanwhile, there are no hedges being taken out of the pit and our trade generally has become much more moderate.

Primary receipts of wheat were 915,000 bu; this was about the same as last year, while a week ago they were slightly heavier. Kansas City and Minneapolis stocks so far this week show a net decrease of 207,000 bu.

Markets at one time were all very firm, but toward the last there was news from Tokyo that an American regiment had cracked the main Korean red defense on the east central battle front today. Apparently the Reds were being chased into mountain hide-outs. This, together with the possibility of additional moisture, found the market poorly supported after early covering.

Milling business was generally slow, although a few purchases had been reported, but apparently not enough to make itself felt in the pit, as the commercial demand was rather small. Contract stocks of wheat in deliverable positions are 4.6 million bu, practically the same as we had last week.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 February 28, 1951

It has been a mystery to us for some time that the price of grains held up as long as it did and as well as it did in view of the bearish conditions that existed. When we look at prices a year ago, corn then selling for less than $1.30 a bu for the May future, and wheat less than $2.15 per bu, oats around 70¢, and new-crop beans $1.98, it took great imagination this season to assume a bullish position unless there were very good reasons for feeling that statistically there had been a tremendous improvement during the past twelve months. Actually in wheat our exports have been disappointing, and for the first seven months of the crop-year clearances have amounted to only 141 million bu, although there has been a good deal of talk of stepping up shipments for the remainder of the season, but even this looked difficult in view of the blockage of port facilities.

Feeding of corn has not been as heavy for the first quarter as most people had predicted, and certainly the comparison with last year was not encouraging, despite the large number of animals on feed. We have written before in our letter that the carryover reserve would probably be 700 to 750 million bu corn at end of the season, or three times the normal. As a partial offset the government may own two-thirds of the supply, but, nevertheless, with a bigger acreage probably sown we might have another good crop next summer.

In the meantime moisture conditions in wheat have vastly improved. Overnight there was more than an inch of rain at Norton, which is the northwest portion of Kansas, and that in our opinion relieves the dry spot for that area. It is too early to try to forecast what the winter wheat crop will yield next July, but we believe it has a much better chance now in view of the rather general rains that have occurred. One of the Kansas City papers talked of further improved prospects for the 1951 Kansas wheat crop, and that beneficial amounts of rainfall were received in all sections of the State except t he extreme northwest where the need for moisture is urgent. Since that time we believe that even that handicap has been overcome. There is evidence of winter killing in scattered fields of the western half of the State but no extensive losses have been reported yet. In fact, there is some feeling that abandonment from winter kill may be higher in the northwestern areas of Kansas, which for a long period had been dry.

The Department of Agriculture announced that it would not extend price support loans on the 1950 crop of small grains beyond maturity date. In the past they have often provided for extensions, particularly when prices were low and surpluses existed. On the other hand the drop in the market has not made it profitable to redeem wheat in the Southwest although we understand Northwest there is still some advantage in paying off loans and selling on the market. However, these activities are curtailed because of the car shortage.

Stocks of grain in principal exporting countries January 1st were 164.6 million short tons compared with 160.3 million a year ago and only 141 million for the five-year average (1946-50). Here in the U.S. we had 998 million bu wheat on hand compared with 909 million a year ago and 781 million bu for the average.

Primary receipts of wheat were lighter at 653,000 bu compared with 576,000 bu last week, and 552,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 347,000 bu.

All markets were quite weak early but wheat showed more recuperative power than some of the other grains. The State reports were fairly optimistic. Wheat has improved as a result of the generous rain in Nebraska and Kansas, although the Missouri state bulletin talked of part of the crop having been ruined by dry weather the past few months. However, that part of the grain which had weathered the dry spell was apparently in good condition, and the remaining wheat was greening up and the pastures also were improved. There is still nothing being reported sold for export and we doubt whether business will be resumed for some time yet. Flour business is moderate to slow but bakers are apparently hoping for still lower prices. After the close of the market today new parity prices will be published by the government possibly in anticipation of an increase. Wheat futures were being accumulated, or at least this factor brought in some short covering. Corn, however, was independently weak. September beans came off the ceiling, while the November future was very weak.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 1, 1951.

After the close of the market yesterday new parity prices were published for the month of February. Corn was unchanged at $1.71 a bu but wheat advanced 1¢ to $2.36. Traders generally had looked for a larger increase and to that extent some disappointment was expressed by those who had made purchases yesterday. Should there be no further change in the parity level of wheat between now and June 15th, we figure that the loan on the farm at 90% of parity would amount to about $2.12 1/2. If we add to this the usual cost of 32¢ for the Chicago loan, it would mean a loan price of $2.44 1/2 for this market, quite a little higher than last year. However, there are some changes in administration and about 11¢ a bu storage for the full period must be paid by the farmer even if he defaults his grain and naturally the same charge would be assessed if he finally redeemed his wheat and sold it at a higher price. Thus for practical purposes one must figure that the loan actually would not figure much more than $2.33, or slightly higher than it was last July. As an offset there could be further parity increases, and in fact, a good many people expect them, but if the advance is only nominal it might mean that as far as the farmer is concerned he would not fare much better in 1951 than he did during 1950.

Our market was delayed this morning due to telephone difficulties. The private lines from the offices to the Exchange Floor had gone dead, and as a result Minneapolis and Kansas City opened before we did. Their prices were lower and we sympathized when the pits finally started operating at 10 A.M. The main difficulty in doing grain business right now is the great shortage of rail transportation, and it seems almost impossible to get empty cars. The Department of Agriculture in cooperation with the Defense Transportation Administration is preparing a drastic permit order, which will govern the movement of wheat and all grains to the seaboard, and in fact, also the loading out from port elevators. Under the permit system which is being considered, it may be extremely difficult for any new business to develop for the next two months. Apparently some of the European nations that had made purchases with the idea of stockpiling supplies will not receive very favorable consideration. To what extent this will cut down total clearances for the season is difficult to say, but it would be our own guess that finally we may not ship much over 275 million bu, and time alone will tell.

The overnight weather was mostly clear in the Southwest. There is some chance for rain in Kansas, although our own weather expert is not as optimistic as some of the official predictions. In any case, beneficial rains during the week ended February 27th have ended the long drought that began in September. Surface soil conditions are now favorable for the growth of small grains and pastures and should permit the preparation of the land for spring planted crops. Rains range from excessive in the eastern section to barely adequate for present needs in the western area, according to an Oklahoma report. However, we believe that this may have been compiled before we had the last rains.

U.S. wheat and flour exports for the week were nearly 6 million bu, bringing the total since July 1st to 160 3/4 million bu compared with 210 million bu a year ago.

Primary receipts of wheat were 1,109,000 bu while a week ago today was a holiday. Last year receipts amounted to 741,000 bu. Kansas City and Minneapolis stocks so far this week show a net decrease of 383,000 bu.

Markets were somewhat dull until about mid-session although there was never a very strong undertone. At that time OPS announced that they had turned down the request of the Chicago Board of Trade to increase the ceiling price of beans. This caused rather heavy selling in the various futures with the result that the nearby bean deliveries which have been $3.33 bid for several weeks came off the ceiling price and there seemed to be quite an active trade. When all this happened there was fresh selling in other pits. Corn and wheat were very weak. Markets broke sharply and apparently new buyers were not attracted except on the extreme recessions. The milling demand remains exceedingly light in view of the lower markets that we have had. Naturally there is some replacement business but no big quantities are reported. There is a little more flour reported for export but even that interest is not heavy.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 2, 1951

While the government is apparently trying to do everything to stop the vicious inflation which we are having in this country, it seems that little can be done so long as there is a race between costs and wages, the spiral going on indefinitely. The moment food prices go up labor wants its share, and as labor advances and requires a higher cost for manufactured articles, parity increases. To show how this affects food prices, the index last month of prices received by farmers for food grains rose 14 points and now stands 254% of the 1910-14 average. This came about since all food grains registered increases for the month of February. The index was 35 points higher than a year ago, although has receded some from the peak reached in January 1948. On the other side of the picture, we find that during the same period there was a rise in building materials, farm machinery, motorcsupplies, farm supplies, and seed prices. The price of most items of household furnishing continue their upward movement; so at best the matter of control seems difficult, particularly with every segment demanding a little advantage over the other, which finally has its effect on the over-all structure.

When our market opened this morning prices were little changed but firmness soon developed despite the forecast for a considerable amount of moisture over virtually all portions of the country. Rain or snow is forecast for the Northwest, the corn belt, and should visit practically every section of the Southwest, including Texas. This naturally will have a beneficial effect, coming at such a propitious time before the growing season starts. As yet there has been little opportunity of appraising the full effect of moisture. The Texas state report was not too optimistic but we have seen this so often in the past that until there was a period of growing weather it was difficult to size up the situation accurately.

Effective March 3rd, operators of port elevators are prohibited from taking grain for storage or handling unless it is on a permit issued by the government. We do not have the details of the permits yet. The reason for taking this step obviously is to facilitate the movement of grain to other countries. The government has found that some advantage had been taken by those foreign countries which were stockpiling and probably getting more of their share of wheat and corn than they were entitled to receive. It is hoped that the distribution will be better equalized through this move. Meanwhile exports from Canada are being stepped up a little and for the last week amounted to 4 1/2 million bu. This brings total shipments from August 1st to 115 million bu compared with 128 million a year ago. Thus it is a little better showing than previously, considering that so much of the Canadian grain was of poor quality. Australia exported 5.6 million bu wheat and flour in the fortnight ending February 17th. This brings their total shipments since January 1st to 17 1/2 million bu compared with 12 million bu last year. As of February 17th, they had remaining for export and next carryover 122 1/2 million bu vs. 144 million a year ago.

Broomhall reported that Italy had received abundant rains over that fertile area of the Po Valley.

PMA has announced that any producers that did not liquidate their warehouse loans prior to maturity would receive full protection. This has been done in other years also. It means that if redemptions are not made and the market is higher or more favorable to the farmer, he will receive consideration from the government when the default is made after payment of administrative charges. Producers having farm storage loans may either deliver the grain to the CCC or pay off their obligation at any time prior to delivery instructions.

Primary receipts of wheat were 860,000 bu today; this compared with 1,322,000 bu last week, and 603,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 452,000 bu. When the visible supply is posted on Monday it will compare with a decrease last year of slightly over 2 million bu.

There was not a great deal of news during the session, except a number of spots in Kansas reported nice rains; most of these were in north-central Kansas, with as much as 1 to 2 inches falling. Flour business has become very dull again; this does not mean that some orders are not put through from time to time, but on the whole it seems to be more or less of a hand-to-mouth affair. In any case, the technical position of the market has been strengthened by the recent heavy liquidation. There was some hesitancy early, but later on the wheat market became strong, and finally pulled corn up with it. Movement of corn from the country remains light, but the car shortage is still such an important factor. Rye also displayed great weakness, but rallied some towards the last.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 5, 1951

The Northwest weather turned very cold over the week-end; temperatures as low as 40 below zero were reported in parts of Canada, even 18 below in Montana, which baffled some of the weather experts, and it was not easy to determine from the early reading of the map whether the cold spell would penetrate central and southwest sections of the country. It looks as though we might have an extreme reading of 10 degrees above zero in northwest Kansas, but it should be preceded by rain or snow. There probably also will be some rain in the eastern portions of the Southwest tonight or Tuesday; apparently not much reason for alarm; even granting that the extreme cold at this season of the year is quite unusual, it is better coming now than after a period of growing weather sets in. Apparently others must have felt the same way, as the action of the market did not suggest much nervousness, even though first prices were somewhat higher.

There was some attention given to the new ceiling order on cotton, which has not yet been completely straightened out. For that reason the New York and other Cotton Exchanges will not open for several days yet. Apparently there was a meeting yesterday in New York, but since there are eight different delivery points for New York cotton, and the government has fixed eight different ceilings, the exchanges wanted something more definite, possibly in the form of a directive. Therefore, a delegation was sent to Washington in an effort to work out a futures ceiling. All this has academic interest for us in the grain trade in the event that corn and oats might sell at higher levels a little later on.

Although the permit system on grain exports has been operative now since March 3rd, there is nothing too definite on foreign shipments. We presume it will take time until all various ramifications are unfolded serially, depending on the type of business that is put through the various ports. The U. K. during the first six months of the crop year imported 65 million bu of wheat and flour, which was 27% less than the 90 million bu imported a year ago. Heavy purchases of both Canadian and U.S. wheat had been made and it was expected that the clearances of this grain would take place this spring, but there is some doubt expressed now, with the tight boxcar situation, whether prompt loading will be possible for all the boats chartered at Vancouver, Montreal, and U.S. Atlantic ports, and shipments from Southern Hemisphere are not particularly heavy. During the past week Argentine exports were 2 1/2 million bu of wheat and flour, and since January 1st 18 1/2 million bu has cleared, which compares with 21 1/2 million bu a year ago. Broomhall, commenting on Argentine conditions, states that although there was sufficient moisture for the corn crop, temperatures remain far below normal, and about the only grains outside of wheat that are leaving that country are a small amount of oats and barley here and there. Last week 330,000 bu of oats cleared, also 138,000 bu of barley.

It is encouraging to study the precipitation for western Canada during February. The western Provinces averaged 1 inch of rain compared with .57 inch the normal; the total precipitation from September to December was 5.58 inches, which compared with 4.92 inches normal, and 5.31 inches a year ago. Last year's crop was a tremendous one, but unfortunately an early frost took a heavy toll; thus creating quite a quantity of feed wheat, or at least grain which was not entirely fit for milling purposes.

When the visible supply of wheat was posted, there was a decrease of 3 million bu. This leaves total stocks in all positions 183 million bu compared with 167.3 million bu last year. Corn decreased 271,000 bu leaving 67 1/2 million bu in the various markets compared with 42 3/4 million bu last year. Oats decreased nearly 1 1/2 million bu to 13 million bu, which was just a little more than was on hand a year ago. Chicago wheat stocks declined but are still 7 1/2 million bu. Corn increased 200,000 bu to 15 million bu, plus 468,000 bu that are here in boats. There was a small decrease in oats and likewise a small decrease in rye but still nearly 5 million bu rye in Chicago plus 663,000 bu afloat. Beans were about a stand-off. There is 4 1/2 million bu in elevators and 765,000 bu in boats. The government gave some figures showing that the impoundings of wheat through January amounted to 194.5 million bu but there are no figures yet on total redemptions. Probably during January and February some loans were paid off when prices were attractive.

There was not much trend to the market. At one time further liquidation came into the pits but there were some rallies before the last and the recoveries were such that losses for the day were not substantial. Milling demand remains very dull. Country offerings of corn are light. Trade is awaiting developments of the Paris Conference.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, March 6, 1951.

The rain and snow which had been forecast for the Southwest did not materialize; neither did the low temperatures reach those areas, and it does not look as though very severe temperatures will prevail, although cold weather which started in our Northwest will probably reach Iowa, northern Illinois, and some parts of the corn belt. There is a low barometric pressure developing in the west. It is too early to forecast whether this will bring precipitation to the winter wheat belt and the Southwest states, but at least there is a chance, although weather men are not forecasting it as yet. In any case, there has not been sufficient growth yet to determine how much improvement has taken place. Past experience has always taught us that when propitious weather occurs at this time of the year the results are satisfactory, and we have every reason to feel more optimistic as the rains and snows came before the wheat emerged from hibernation, although rains were not as heavy in Texas as we would like to see.

Markets opened somewhat lower, but there was no great pressure. On the other hand there is no export business. For that reason hardly any hedges are being taken out of the pit, particularly as the milling demand still remains extremely dull. We do have the matter of inflation, and to that extent one must conclude that prices are going to be higher than they would have been ten or twelve years ago, all other factors remaining constant. We also have a higher level of parity, which means that together with various governmental supports artificial factors come into play. The latest Commerce Department's statistics indicate a national income of $244 billion. The big problem which is engaging the earnest attention of the House Ways and Means Committee is to find out how nearly 30% of the income of the American people can be extracted from their purses to finance the President's proposed $71.6 billion Federal spending budget for the fiscal year 1952. Federal revenues next year are expected to total $55.1 billion, which is $16.5 billion less than the amount needed to balance the budget. The President has also asked Congress to meet this deficit by enacting new and additional taxes. While Congress is anxious to combat inflation, many of its members fear that an additional $16 1/2 billion Federal tax burden might seriously impair the nation's incentive and capacity to produce when the critical world situation demands a tremendous expansion of our production.

For some time March wheat has been ruling at a big discount under May, as it was felt that a large line of cash wheat held speculatively might be put back on the market. This occurred today when tenders of over 2 million bu were made, and it carried the nearby month to more than a full carrying charge under May. It shows that the demand for red wheat is not very keen, and the situation is quite different from last year when Chicago stocks were being depleted.

The Department of Agriculture believes that wheat and flour exports for the current crop-year will total about 275 million bu. This is an increase of 25 million bu from earlier estimates. It was stated that the actual demand might exceed even the bigger quantity but that our clearances would be limited by the shortages of boxcars and ocean shipping and to some extent by the handling capacity of facilities at U.S. ports. Even with this increased estimate total exports will be the smallest since 1944-45. The Department also placed total wheat disappearance at 1,015 million bu, the smallest since 1942-43, and figured that our carryover next July would be 435 million bu compared with 423 million bu a year ago.

Primary receipts of wheat amounted to 852,000 bu. This compared with 915,000 bu last week and 895,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 116,000 bu.

Markets showed some recuperative power but there was no spirited buying. The heavy deliveries in wheat dampened enthusiasm. Likewise, there was some discouragement amongst mills claiming that the flour business was very poor. However, this is the season of the year when crop scares often make themselves felt. We had one report from the Texas Panhandle today that damage from bugs might be severe but elsewhere conditions seem to be quite satisfactory. Cash business is generally quiet and traders generally are waiting for new incentives. There is nothing yet from the four-power Conference meeting in Paris. It is still to be hoped that some sort of peaceful solution may be worked out.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 7, 1951

Those of us who are old enough to remember as far back as 1938 will admit that changes in our whole economic structure are incredible. The Administration is now talking and asking for a tax budget of $71.6 billion to be raised for the fiscal year beginning July 1, 1951. This is nearly as much as the total national income for the prewar year 1939. As we pointed out yesterday the government is trying to extract nearly one-third of our national income in the form of taxation in order to meet the various costs of government, including military expenditures. There have been several attempts to reduce the non-military spending, and in addition to Senator Byrd, others have had the idea that we can save anywhere from $7 to $9 billion a year through certain economies. These have been belittled; in fact, the President has challenged anyone to make cuts which would not interfere with the proper functioning of the government machine. The savings are claimed to be unimportant; yet we must not forget that our total federal expenditures in 1938 amounted to only about $7 billion, the amount now being discussed as a possible saving.

The Hoover Commission brought out rather clearly the shocking waste, overlapping and duplication in many of the agencies. For example, there are on the average about 3.6 typewriters to every worker in the federal government who uses one. The cost of construction of federal hospitals is $30,000 per hospital bed against $16,000 for private hospitals. The number of persons on the federal payroll in the last two decades has increased from 600,000 to 2.2 million. This represents a gain of 261%, or eleven times the rate of increase in population of the United States during the same period. Classified federal employees are entitled to 5 1/5 weeks vacation, and three weeks sick leave each year, or over twice the allowance to workers in private enterprise.

Time and space does not permit us to enlarge further on these important matters.

The news from Paris was not particularly hopeful, with the Four-Powers apparently not able to reconcile their differences; also the Korean news was regarded as foreshadowing a long-drawn out war with the hordes of Chinese being drawn into battle, and possibly a new Red offensive to start this spring.

When our market opened prices were somewhat higher. Another influence now has been the weather, which gave no promise of important moisture for the Southwest, although western Kansas may receive some benefit from rains or snows tonight or tomorrow. Temperatures did not get as low as some had believed they would. The outlook is also for somewhat colder, but nothing severe. Broomhall tells us that it has been quite cold over the central and western sections of Europe, and as a result spring plantings have been retarded. In the south it has been too wet in some sections. France has had light frosts at night, but the crop news remains mostly favorable, although somewhat less optimistic than a year ago. Eastern Germany has lagged badly in winter cultivation, while in Italy incessant rains have caused crops to lose color especially on heavy land.

Tomorrow the various cotton futures markets will open after being closed since the issuance of the freeze order January 26th. The OPS has set a ceiling of 45.39¢ for cotton futures. Chicago trading is on the 50-bale contract with delivery points the same as those for the New Orleans contracts, but Chicago has recently authorized trading in a new form contract, on which trading is likely to start next Saturday. This will cover deliveries in March 1952, and thereafter will embody all the delivery points on the New York contracts, which have recently been incorporated in the New Orleans contracts for March 1952 delivery, and later. Chicago will have as its basic unit 100 bales, which is a departure from the former 50-bale contract. By adopting the same delivery basis as the other cotton markets, it is believed there will be considerable arbitrage between the three markets and the members of the Chicago Board of Trade will enjoy uniform cotton trading privileges equal to those throughout the cotton industry.

Although it was thought that Germany bought 70,000 tons of flour, none of the exporters in New York confirmed new business, and it is thought this was business put through last week on a barter basis, which was also coupled with 18,000 tons of Canadian rye, now held in bond in the U. S.

Kansas City and Minneapolis stocks decreased 337,000 bu so far this week. Primary receipts of wheat continue moderate at 456,000 bu compared with 368,000 bu last year.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 8, 1951.

One of the great financial houses of the East has pointed out so often that the battle for freedom can be won or lost on the financial front as well as on the battlefront. It is for that reason we are devoting a fair amount of space in our letters to some of the obvious blunders which we feel need correction. President Truman pointed out some time ago that with the expansion of the armed forces in defense against communistic aggression, "before many years nearly all of the population may be Veterans or dependents of Veterans." While everyone agrees that those who have suffered hardships or casualties should be reimbursed if financial aid can bring comfort in times of distress, it is certainly obvious that our entire program must be revamped in view of the prospect that finally there may be a Veteran in every American family. Since the close of World War II Veterans of that struggle have received about $35 billion; based upon past experience it is estimated that these payments may ultimately aggregate around $1 trillion. There are now about 20 million war Veterans, or nearly one out of every three workers. Over the years the total amount paid out in the form of indemnity is so staggering, and in some cases it actually exceeded the initial cost of wars. These payments are twice the direct cost of the Civil War, and six times the initial cost of the Spanish American War, while cumulative expenditures for World War I already approach the initial cost of that conflict.

Before our market opened this morning there was news from the Southwest that temperatures had dropped rather sharply, no additional moisture was experienced, and the outlook is for a cold wave to continue for the next 24 to 36 hours. Some of this may have been discounted yesterday when we had a sharp advance in the market.

Late yesterday it was learned that the flour export business which had been reported to Germany was actually old business, and had been put through ten days ago or so previously, so that whatever hedges had to be covered were already taken in. It is a fact, however, that the current clearances are running quite a little higher than heretofore; for the week 10 1/2 million bu were shipped from all U.S. ports, bringing the total to 171 million bu since July 1st. This compares with 214 million bu a year ago. U.S. corn exports last week were also a little heavier, amounting to more than 3 million bu, which brings them to 46 million bu since the first of November compared with 52 million bu a year ago. No soybeans were exported during the week, but since the first of November 14 1/2 million bu were shipped compared with only 4 3/4 million the year previous. Clearances of other grains were not particularly impressive; a little rye is going out, but the total since last July is only 1 1/2 million bu. vs 4 1/4 million for the same period in 1950. Barley shipments are about 6 million bu smaller, while our oat exports are only 1 million bu compared with 12 million a year ago.

Primary receipts of wheat amounted to 774,000 bu compared with 1,109,000 bu last week and 609,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 475,000 bu.

There was no improvement in the flour demand, and according to the Southwestern Miller some mills indicate almost a blank in sales as bakers refuse to follow the advance.

However, some attention was paid to a crop reporter who talked very pessimistically of the outlook for Texas and Oklahoma. We heed more the state reports, which were not bad. The one for Nebraska points to improvement over most of the state by recent rain and snow, while the Oklahoma bulletin stated that surface moisture supplies were adequate for the present over most areas of the state, but that additional rainfall would be needed soon for growing crops in the western areas. The Missouri bulletin claimed that weather the past week was very beneficial to both soil and crops already planted. The ground was still too wet for early plowing in the southeast. However, wheat is very much improved, and pastures are showing signs of greening.

In any case, there was no aggressive selling and traders were retarded in their bearish operations. The close was generally lower.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 9, 1951.

The spending in this country continues unabated, and while there is criticism from various sources, it seems difficult to check. Some of our extravagant planners, who for the year beginning July 1st, project requirements at $48.5 billion, an increase of $7 billion from the announced estimates for the 1952 fiscal year. Our military men are apparently trying to get all they can, having in mind big construction, which includes warehouses to store equipment, and also they claim a need for larger orders for heavy military equipment. These military planners have a projection for a military spending budget of $75 billion for the year starting next July. The total budget, if they really received all they wanted, might be well over $100 billion. Thus, one can see that we are not yet finished with inflation, and that this is something which always must be kept in mind.

When our market opened this morning prices were not greatly changed from the previous session. Temperatures Southwest did not get as low as had been forecast, and it looks as though gradually warmer weather will set in, with not much moisture in sight for the immediate future, although possibly some light showers are in prospect for western Texas. The five-day forecast covering the states of Missouri, Kansas, Nebraska, and Oklahoma anticipates temperatures averaging 5 to 8 degrees below normal, but becoming warmer Saturday, except in western Nebraska. Precipitation generally will be light, some snow flurries for Nebraska, and northwest Kansas Saturday, and a few showers or light snows over the district by Tuesday, which is not too optimistic. For western Texas, temperatures will average slightly above normal, except near normal in the Panhandle; precipitation, however, will be moderate occurring mainly on Saturday and Sunday. The latter, of course, is a district that really needs precipitation the most, as it has gone through such a long dry spell.

Late yesterday some news came out which might change the entire complexion of things. One of the agencies in the East claimed they had heard from a source which was close to the Department of Agriculture that wheat under loan had been reduced to nearly 90 million bu. This would indicate that redemptions must have been nearly 100 million bu, which is entirely possible owing to the fact that prices during January and February were so high. We did not believe farmers had sold that much wheat through payment of Federal obligations, but apparently the fact that the May futures both here and at Kansas City are selling so close to the July is in itself evidence that large quantities have been withdrawn from loan. If these figures are correct it would, in our opinion, give us more than 200 million bu of wheat in free supply next July, which would be by far the largest amount we have had in years.

According to Broomhall, Brazil has recently made an agreement with the Argentine government for the purchase of 1 1/4 million tons of wheat for the calendar year. This would compare with 974,000 tons last season. Should that contract be carried out in full, it would mean that Brazil would take close to 46 million bu of wheat, so that together with 22 million which has been earmarked for India under the agreement reached some weeks ago, total commitments would be 68 million bu. It has been estimated that Argentina would probably be able to export about 100 million bu this season; therefore, with those countries taking such a large percentage it would not allow much for others, particularly with the commitments already made including a large quantity for Germany.

Primary receipts of wheat were 817,000 bu compared with 806,000 bu last week and 444,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 728,000 bu. When the visible supply of wheat is posted on Monday, it will compare with a decrease last year of 2.6 million bu.

Markets were rather dull but there was no strength despite the fact that the outlook for moisture is vague with nothing much anticipated during the next twenty-four hours. However, prices generally are high for most commodities. The OPS rolled back most soap prices a cent per bar at retail, which had a little depressing influence on fats and oils. The deferred futures of beans at one time were weak, and likewise lard suffered losses, but in grains there was not much feature. However, export demand on new business is almost nil while extreme quiet prevails in flour trade. The Southwestern Miller said that only an occasional inquiry is had here and there but chain bakers were practically as inactive as smaller independents.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 12, 1951

In the last general crop report issued by the Bureau of Agricultural Economics, it was stated that winter wheat had passed the hurdle of February weather successfully for the most part, but that crops were still vulnerable if March weather should become severe. They further claim that as the wheat fields green up in the Great Plains area northward to Nebraska prospects for recovery from the effects of the fall and winter drought are greatly improved, especially since the rain and snow of the first week of March. More moisture, in their opinion, will be needed in much of the southern Great Plains region to fully break the drought. In the meantime we have had some fine rain and snow, and weather over the week-end was ideal in most sections, with some fine snows in Kansas covering practically all areas. This extended to Oklahoma, with nearly 1/2 inch of moisture reported at Enid, and it seemed to be fairly general in the immediate territory. The rain at Oklahoma City was .68 inch, Hobart over an inch, light at Guymon, but becoming heavy again at Gage, with .91 inch reported. Texas rains missed the North Plains. Altogether we would say that precipitation was quite thorough, as it also covered Nebraska, Iowa, Missouri and many parts of the corn belt. Indications are for fair and continued cool temperatures, with clearing conditions setting in.

This took the trade somewhat by surprise with the result that we had more liquidation this morning, centering in the new-crop wheat futures, but it also carried the May delivery down several cents per bu before new buying came in.

It was hoped by this time that an export arrangement with India might be worked out. The Nehru government had only asked for a long-term loan to enable it to buy 75 million bu of grain, but our government was insisting on making a gift. Apparently this has hit a snag, as some opposition developed in Congress, and some members have felt that we might have accepted in payment part of India's sterling balances estimated at about $1 1/2 billion. Therefore, we might have used these balances to buy Malayan tin and rubber, or possibly other strategic materials. It was pointed out that since the United States produces only one-eighth of the world's total food supply, that the burden should not fall entirely in our laps, even though we might want to do something politically for India. Some of the difficulties now experienced over there are caused by the Nehru government's own economic policy, including a diversion of food acreages into cotton and jute, also uneconomic price ceilings, and exchange controls. Until these conditions change food shortages in that country may be expected to continue.

We note in the meantime that Canada has shipped some wheat to India, and it is also reported this morning by Broomhall that France is offering to sell India wheat in exchange for oilseeds. The wheat crop in Pakistan may yield an exportable surplus of about 15 million bu; if correct, this would be 2 million bu more than last season.

Weather in Europe is not altogether good, some excessive rains and flooding have interfered with spring seeding in many countries, but especially in Italy, France, Belgium, and Holland. Work is backward in England and Wales, which is bad as it had been hoped that Britain might increase spring seeding to make up for the reduced winter grain acreage.

Not too much attention was paid to factors of that kind today, but the trade had hoped that some export business in corn might develop here before long. It is not likely that offerings of new corn from the Argentine will start until end of April. It has turned warmer there after a prolonged cold spell, and a yield of 175 to 195 million bu is in prospect compared with last year's failure crop of only 35 million bu estimated by the government.

The visible supply of wheat decreased a little over 5 million bu, leaving total stocks in all positions 177.8 million bu compared with 164.7 million bu last year. Corn increased 736,000 bu to a total of 68 million bu against 44 million a year ago. Oats decreased a little over 1 million bu, cutting stocks to 14.1 million bu vs 12.2 million last year. At Chicago wheat stocks were reduced to 6.8 million, corn locally increased to 15 1/2 million bu, plus nearly 1/2 million bu we have here in boats. Rye stocks are still 4.8 million bu after a small decrease for the week, but there is 365,000 bu in boats, and 261,000 bu in bond. A slight increase in Chicago bean stocks brings the total to 4.7 million bu, plus 452,000 bu in boats.

Markets were weak early, but during the last hour there was a report that CCC was in the market for some red wheat. This had a bullish influence on the May delivery, but it carried other futures and other grains up, and there were fairly good recoveries. Recent liquidation has probably been fairly thorough.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 13, 1951.

There was considerable turmoil created yesterday when the government suddenly re-entered the market for wheat, purchasing the equivalent of about 2 cargoes of #2 red wheat for export. Naturally, shorts became frightened, particularly those in the May delivery, as nobody could tell when this buying started how far it might extend. There was some clarification this morning, and it appears that the CCC was only interested in wheat which was already stored at the seaboard, and was not reaching out to take supplies as far inland as Chicago, probably mindful of the fact that the car situation is already acute, and any attempt to create further distortions might cause repercussions in other fields. The price they paid was 17 1/2¢ over Chicago May, which in itself is quite high, with discounts for garlicky wheat, which we believe was involved in the transaction.

The question now arises, with the government shipments which are contemplated, whether Chicago wheat will finally be involved. If this is the case, naturally it would have a temporary influence, at least on May wheat in Chicago in relation to the new-crop futures. The intentions apparently are to move more wheat via the eastern seaboard, and since port facilities at the Gulf are congested nobody can be quite sure to what extent other ports may be used irrespective of costs.

The February exports of all grain were 1,540,000 tons, of which about 35% was handled by the CCC. The Department of Agriculture officials are conferring now on export sales allocations for importing countries, and will probably issue figures on a monthly basis. This may result in somewhat higher clearances than we have had heretofore, but we still doubt whether the carryover reserve will be much affected in the last analysis.

Meanwhile, Canada is doing a rather bad job in getting rid of her surpluses; for the reason so often discussed, wheat shipments have been held down as a good percentage of the frosted wheat is not desirable for human consumption. However, if the price were right they might get rid of the low quality wheat for distribution in our New England states as a substitute for corn. Moreover, the total volume of Canadian coarse grain and flaxseed exports for the first half of the 1950-51 season was down approximately 18% from the same period of the previous crop year. Reflecting the improved supply situation, total supplies of both oats and barley in Canada on February 8, 1951 were well above those of the same date in the previous two years. The proportion of this year's visible supplies still remaining in Canadian country elevators is considerably higher than in either 1950 or 1949, with slightly over half of the oats, and about 44% of the barley in such position. Even rye, which has had such a phenomenal advance at Winnipeg, is not in short supply; in fact, the visible is 7.6 million bu compared with 6.3 million bu in 1950.

Further rain and snow was quite general and in fairly heavy volume over Iowa, Minnesota, Missouri, Illinois, Indiana, and Ohio during the past 24 hours, while over the Southwest generally fair weather prevailed, and there seems little indication that further precipitation will occur in the latter sections for the next 48 hours.

Primary receipts of wheat amounted to 703,000 bu compared with 852,000 bu last week, and 890,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 270,000.

Markets were more quiet, but there was some absorption on the early break, and we believe that the short positions have been reduced. A good many people are nervous that the government may reenter the market. In that connection we have checked with several of the Chicago elevator firms, and in their opinion there is no material improvement in the boxcar situation. Many have had cars ordered to fill domestic sales and some for export, without getting much relief from the carriers. If the situation were better possibly our March futures would have acted better, because practically full carrying charges were realized for both wheat and corn. With this in mind, we have some doubt as to whether the premium for May wheat will be maintained over new-crop positions, particularly if we carry over 150 to 200 million bu of free wheat at the end of the season.

Milling demand was again very slow, and even flour exports are on a smaller scale, all of which does not offer much encouragement to holders.

Corn was comparatively strong, and the carrying charge from May to July seems to be widening.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 14, 1951.

Yesterday afternoon word came from Washington that subsidies on wheat had been reinstated. As we understand it the payments now will apply to both wheat and flour. For the past month subsidies have been solely on flour, but the program was held in abatement to determine whether we could physically handle all the business at the ports which had been contemplated. When the subsidy was withdrawn it created a somewhat bearish sentiment, and probably by the same token the reverse action yesterday could only be construed as bullish, except there is not a great deal of wheat left to be handled under IWA shipments between now and the balance of the season. We understand that the quantity is only about 11 million bu for the private trade, of which about half will comprise Pacific Coast shipments. So even with foreigners getting the subsidy payment, the amounts involved are not big enough to be an important factor. The foreign countries have been advised of the balances available to them, and the reopening of the wheat subsidy is on a first-come-first-servedbasis. Chances are that the remaining commercial supply under IWA will be booked within the next few days, as most countries which are privileged to buy wheat at the cheaper level will probably avail themselves before the program is altered again. Exporters doing the business must get confirmation from Washington to insure valid contract under the plan.

In the meantime we heard that the CCC withdrew from the market at the eastern seaboard, and at least for the present there is no indication that any quantity of red wheat will be purchased.

Our market was very tame this morning at the opening; possibly some of the information had been known to exporters during yesterday's trading session, and we saw some evidence then of May wheat futures being bought by an export house.

Broomhall's Foreign Crop Summary claimed that somewhat improved conditions prevail in Europe, and farmers are hopeful that a prolonged clear spell will be experienced, which should permit active plowing and seeding. In the U K farmers are becoming concerned over the lateness which has materially retarded work in the fields. France is experiencing unsettled weather which has checked spring plowing and seeding; reports indicate that some acreage which was planned for wheat, may now go to barley, and thus the wheat acreage is apt to be somewhat under last year. Sunny weather is reported in Italy after incessant rains which caused some deterioration. In Argentina, the weather is more favorable for corn, and they are having higher temperatures together with sunshine.

Here at home more debates continue in Congress as to whether the lower draft age should be 18 or 18 1/2 years. As one of our junior Senators has pointed out, with 1,930 colleges and universities in the country, having buildings, equipment, and research facilities worth $20 to $30 billion, it would probably be wise to concentrate on educating and training our youth in these schools, rather than to spend more money for the construction of new military camps, bases, and posts; the sole function of our colleges is the training of American youth, and probably it can be done better there with thehelp of military experts than anyplace else. Certainly unless there is an all-out war we can ill afford to deprive the youth of this country of their most cherished and important heritage, which is education, and opportunity for cultural development and research training.

Primary receipts of wheat were 752,000 bu compared with 456,000 bu last week and 432,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 367,000 bu.

The trade was influenced at times by the resumption of some export business. We understand that a cargo of wheat had been sold to Holland and later were told that $7 million was allocated to Germany for wheat buying. It has not yet been decided whether the latter will be supplied from CCC stocks or through the grain trade. There is bound to be some new business from time to time but do not regard this as necessarily bullish. The main feature, in our opinion, is that there has been considerable improvement in the crop prospects and the State reports were quite optimistic, especially the one from Missouri, although if the moisture supplies had been received earlier the benefits would have been greater. The Oklahoma report claimed that surface moisture was adequate for the present in practically all western areas while moisture supplies were good to excess in eastern areas. Flour business is still very slow with little interest shown on any new orders. We also understand that CCC late in the day refused further offers of red wheat at Baltimore. One party thought that on the recent business the government was just filling freight.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 15, 1951

During the past few weeks clearances of wheat and flour have been stepped up materially, and if they continue at the present rate one will naturally have to revise ideas on the total quantity that will be shipped during the current season, which in turn would naturally affect the carryover reserve on July 1st. Broomhall again reports very heavy shipments, which amounted to nearly 10 million bu last week; this brings the total to 181 million bu since July 1, 1950 compared with 217 million bu a year ago. Clearances were heavy from all ports, amounting to over 3 million bu from the Gulf, nearly 4 1/2 million from the Atlantic, and somewhat less than 1 1/2 million bu from the Pacific; also some flour from various ports, making the total given above. There are 16 more weeks until the present season ends. Should we continue exporting at the present rate, it would indicate a total of 340 million bu, which is quite a little bigger than even the government had forecast, but it is rather difficult for us to believe that in the remaining 16 weeks we are going to ship nearly as much as we did during the first 36 weeks of the season, particularly with the shortage of transportation, etc. It rather looks as though boats which had been chartered were taking the grain already at the seaboard, and we can hardly imagine that any such movement could be accommodated in the remaining time. At least, these are the facts that confront us.

The Korean news is still somewhat censored; it seems to be fairly optimistic as our troops get closer to the 38th parallel. General Ridgeway has had in mind not so much the gaining of ground or territory, as the killing of Communists, and for that reason we may not have made so much headway on land during the last few days. However, from all indications it still looks as though there might be some possibility of a truce once we get back to the former boundary line, which had been drawn by agreement reached at Potsdam. Possibly some covering of wheat took place at the opening by those who had thought yesterday the fighting was about over, and that a "cease fire" order might be expected at any moment.

Possibly, also, there was a little better sentiment due to conflicting crop reports being received from the Southwest. It is probably too early to have firm convictions as to what may be raised next summer, and we have not had sufficient growing weather to actually know the stamina of the crop. Some opinions are to the effect that noticeable improvement has taken place as a result of recent rains, except where bugs and worms have caused destruction. Others, who have covered a large territory, say that prospects are worse than they were two or three weeks ago. At this season of the year anyone can be his own expert, and is just as apt to be wrong as right.

Primary receipts of wheat were a little over 1 million bu compared with 3/4 million bu last week, and 885,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 470,000 bu.

There was a very sharp decline, July wheat breaking to $2.36 3/4 per bu. It is our opinion that with parity on wheat $2.36, and assuming no change between now and June that the loan in 1951 will be about $2.12 on the farm. Adding the usual differential for Chicago, it would mean $2.44 basis this market, from which one would have to deduct about 11¢ to include storage charges, which henceforth the farmer must pay if wheat is carried for the full term. Until more is known about the crop possibly a price within a few cents of the probable loan may be almost low enough. However, we have seen many occasions when early in the season prices here went considerably under the loan levels.

There were some further ECA allocations to Austria, Greece, Ireland, Holland and Norway for the purchase of bread grains in this country, but we doubt whether this had much influence on the market. Domestic milling demand is still poor, and we have not seen much evidence of many hedges being removed. Corn declined despite the recent buying of futures by export houses.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 16, 1951

In less than a week the Northern Hemisphere will see an end of winter and the beginning of spring. It is often in the spring of the year that wars are started, and while we do not dare predict that world peace will prevail, we still call attention to the fact that Korea may not be the opening shot of World War III. If, for example, China should be willing to accept the "status quo" on the 38th parallel, the entire situation might look better. If spring passes and Russia shows no sign of invading Europe, Yugoslavia, Iran, or any other country, we may not have the real crisis that has been anticipated now for many months.

One finds it very difficult to explain the various policy moves in Washington. This is due largely to the fact that everything is so contradictory. On the one hand certain directives are relaxed, while in other cases more controls are put on. However, there is definitely a resistance in Congress against the ever-fresh plans for armament, and the spending of additional funds. In fact, there is already some easing of tension, even though expenditures are continuing at a tremendous rate. We also find consumer resistance against high sugar prices, and advancing meat costs, which may be a straw in the wind. One must always have to stand ready for some unexpected improvement of East-West relations at the Paris Conference. Should some of these differences be compromised it is bound to affect our overall economy. Many businesses are faced with over-filled inventories, over-bought consumers, besides which there has been a great deal of speculative war-like buyi which would naturally undergo a change.

For the time being one has other considerations in grain, such as the artificial factors, and to these we alluded yesterday in discussing the probable loan on wheat, which may amount to about $2.33 Chicago, based on present parity. In these calculations we have deducted storage charges, and we have assumed for the time being that there might be no change in the parity figures between now and June 15th. The trade has figured for some time that parity was bound to go up. Possibly this will be the case, but with stabilization that is now being contemplated, there is no definite assurance that this will be the case. There is so much confusion and the truth is there is no overall plan and no coordination of piecemeal policies. Sometimes we wonder if there is real logic in the administration of policies. One minute automobile prices are frozen, and next they are thawed out. Wages are under ceilings but the door is left open for further hikes by way of job re-classifications and other fringe benefits. Additional cost of living bonuses are to be allowed; so who can tell what the future holds forth.

Until we can get a better picture of what crop prospects portray for next summer's yield, it is altogether necessary to be a little conservative, despite the fact that prices are high and much can happen. Our market opened sharply higher this morning on heavy grindings of beans during January, which were 25 million bu making the total for the first four months 92 million bu. Also, some overnight export business in wheat caused hedges to be covered in that pit, and with shorts on the defensive we had erratic markets for the first few minutes, but later on it bec rather mild in comparison. Heavy snows are forecast for many parts of our Northwest and Canada, but for the next twenty-four hours we see little chance of further precipitation Southwest.

Primary receipts of wheat were 946,000 bu compared with 817,000 bu last week, and 699,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 566,000 bu. When the visible supply is posted on Monday it will compare with a decrease last year of 2 3/4 million bu.

Markets were rather firm, although best prices of the day were not maintained. The Southwestern Miller reported that very little flour business was done overnight, and mills continued to indicate a standstill in business this morning. The trade, however, took some cognizance of the fact that Portugal presumably bought about 600,000 bu red and hard wheat, and there were some other scattered sales. These are to be expected, although there is some doubt in our minds whether clearances will continue at the present high level. There was a report early that CCC had bid 16 1/2¢ over Chicago May FOB steamer Baltimore for some #2 red wheat. Later we were told that there were no bids in the market. As a result of the latter May wheat lost a little ground on the new-crop months, but there was no indication of much spreading.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 19, 1951.

There was not much news over the weekend. A few snows were reported in Kansas, some very light rain around Amarillo, Texas, but what is really needed down there is a good, soaking rain, and apparently this is not in prospect. Ordinarily some of the bad reports that are being circulated would have an influence on the market except for the fact that our export business has become somewhat dull. Doubt is expressed now in the Department of Agriculture that wheat sales outside of IWA will even attain the totals to be authorized for purchase under the Export Control Program, which will probably be announced within the next few days. Apparently there will be no additional subsidies granted either by Canada or the U. S. on last summer's production, and thus it looks as though the clearances which had been very heavy might gradually ease off to some extent, and we may have as big a carryover as last year, possibly a little more.

The Rock Island Railroad issued a crop report, dated March 15th, and they were very much more optimistic than a good many private reporters in the outlook for next summer's crop. For example, they estimated Kansas at 210 million bu, which compared with a government estimate last December of 202 million bu. They forecast a crop for Oklahoma at 81 million compared with the government figure of 57 million, a small reduction for Nebraska, about the same for Missouri, and a little less for Colorado. Not too much attention was paid to these figures, as a good many people thought they were on the high side. However, when they speak of Texas they claim that 6 1/2 million acres had been seeded, a 7% increase over last year, and, while admitting that there was some reduction due to lack of moisture and greenbug damage, they called attention to some improvement in the prospects since January, and told of general rains during the third week of February over the Panhandle, which ranged from 3/4 inch to 1 3/4 inches, and which penetrated the subsoil, and which they claim was of benefit to the wheat crop. Since everyone had been prepared for almost a failure crop again for Texas and parts of Oklahoma, today's news probably brought some selling into the pit, but trade was not particularly heavy. Furthermore, a good many traders still adhere to their own ideas that the outlook is not too good for the present date.

In France, the Minister of Agriculture reports extremely wet weather during January and February, which has adversely affected crops. The winter wheat acreage is nearly 12% smaller than the year before due to a wet autumn, and it is claimed that spring acreage will have to be expanded if the loss is to be made up. 1950 wheat production for that country was 270 million bu compared with 296 million in 1949, and a prewar average of 286 million bu. It takes about 250 million bu with the present population to take care of seed, feed, and food. However, the per-capita consumption is down to 4.4 bu, which is certainly far less than it used to be years ago, and this has made available some quantities for export.

Stocks of wheat in Chicago decreased 294,000 bu, somewhat less than last week; this leaves us 6 1/2 million bu in this market. Corn increased nearly 1/2 million bu to a total of more than 16 million bu; also there is 468,000 bu afloat. A small increase in oats makes the total about 1 1/4 million bu, hardly any change in rye, but beans in this market showed an increase of 249,000 bu, so there are nearly 5 million bu here; the amount in boats decreased 270,000 bu, leaving only 182,000 bu afloat. The total U.S. visible supply showed the following changes: wheat decreased 2,688,000 bu, corn decreased 1,182,000 bu, oats decreased 1,092,000bu, rye decreased 435,000 bu, and soybeans showed a gain of 113,000 bu.

Our market today was not too active, probably for the reason that there are not many incentives for trading. Corn was independently weak, and while it ralled at one time in sympathy with late firmness in the wheat market, there is not much gimp, and apparently the large supplies which are here in Chicago may remain here for some time unless transportation improves. There is some doubt whether there will be enough boats to take grain East, as so many of them will be tied up with ore shipments.

Milling demand continues very slow; this means that not many hedges are being taken out of the market. However, there were a few cargoesof wheat sold to Holland, but this had very little influence. Even cash markets are quiet, and not much new business is transpiring.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, March 20, 1951.

After the close of the market yesterday, the government furnished us with estimates on acreages for the 1951 crops. The main surprise was in corn where plantings are likely to be 85.7 million acres, an increase of 1.6% over last year, but a good many people had thought that the total land under cultivation would be close to 90 million acres, for which the government has asked. Spring wheat showed an increase of 3.3 million acres, and on that basis we might easily raise 35 to 40 million bu more than on last year's sown area. In fact, a crop in excess of 300 million bu would not be at all out of line. Smaller acreages for oats and barley were expected but quite a sharp reduction was shown for sorghums, and in our opinion the latter will depend somewhat on weather conditions at time of planting. There is also a cut of a million acres for soybeans, which would mean a somewhat smaller crop than we had last year, everything else remaining constant.

The net result was a somewhat higher market this morning, but this would not have been surprising even without a government report, as recent liquidation and selling has been quite thorough. We rather wonder that there has been so little buying based on some of the crop reports that have been heard. Apparently, however, past experience has taught a good many people not to take the very extreme forecasts too seriously. While we are not trying to belittle some of the damage which has occurred in the extremely dry areas of Texas and parts of Oklahoma, we also read with interest what the government says with respect to this condition: namely, that "In even the poorest instances it is felt that condition of wheat is not hopeless, but that a drought-breaking rain would enable the well known recuperative powers of the wheat plants to bring about recovery." While it is a fact that for eighteen weeks rainfall had been deficient and almost totally lacking at some southwest points, the net result was that topsoil had become powdery dry. However, subsoil moisture was in good supply in most of the areas. Because of the dry topsoil, wheat was not grazed to the usual extent, and much top growth remains as protection against soil blowing. Light rain and snow has enabled plants to hold on so that deterioration was limited in Texas, New Mexico, and Colorado, while some improvement occurred in most of Oklahoma and Kansas during January.

Some export business was reported overnight with about 2 cargoes sold to Holland from the Gulf. This required the removal of hedges and we understood also that Finland was inquiring for 4,000 or 5,000 tons rye. After the close of today's market the Department of Agriculture will probably state its control program with the amounts of wheat and coarse grains that claimant countries will be permitted to buy. Evidently CCC has already committed its remaining surplus, with only a few million bushels left for sale under IWA. As we pointed out yesterday, other sales outside of IWA may be relatively small, and we doubt whether any additional subsidies will be granted on this wheat crop.

There were a few light snows in Kansas but the immediate indications are not too bright. The five-day forecast looks for 1/4 to 1/2 inch rain in Missouri and eastern Oklahoma to 1/4 inch or less in Nebraska or eastern Kansas. There will be little or none for western sections of Oklahoma or Kansas, and likewise prospects for western Texas are for no precipitation.

Primary receipts of wheat were a little over a million bu compared with 703,000 bu last week and over a million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 41,000 bu.

Markets were all very firm. We believe that crop damage reports circulated in the Southwest had a stimulating influence and caused quite a bit of short covering. We only saw a moderate amount of new buying. Contract stocks of Chicago wheat in deliverable positions are over 4 million bu, a slight decrease from a week ago. It is reported that the milling demand is still rather slow and just a few cars booked here and there. However, markets at this timeof the year often heed crop scares. We figure there is about 3.3 million more acres planted to winter wheat and about the same increase for spring, or a total of 6.6 million more than in 1950. Even if the abandonment is somewhat heavier, it may not be a national calamity, but for the time being longs seem to have a technical advantage.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, March 21, 1951.

We believe the principal market factor is likely to be the weather in the Southwest. At the present time after making extensive inquiries, there appears to be considerable irreparable damage in some areas, but as a whole we get the impression that there could still be a satisfactory crop, provided there is adequate moisture. Even though export demands have been great for U. S. grain, especially wheat, the overall shipments from various countries are likely to include a smaller quantity of wheat and flour than last year. We attributed most of the rush of buying U. S. grain to the fact that Canada has had such poor quality wheat that their sales have lagged. They still have 77 million bu left unsold of their 221 million bu International Wheat Agreement quota, while the U. S. has only 12 million bu left, and we would have readily sold this except for the fact that the government has limited the sales, knowing that the demand for our wheat was well in excess of our physical ability to export. We have been exporting good amounts of corn, but no more than other recent years, and it is likely that we will lose a great dealof our markets when Argentina starts to ship from their new crop, which will be available in late April. Their prices are not very well in line as they are asking the sameprice for May-June shipments as they have been selling from their scarce old-crop supplies, but they have a crop of 177 million bu compared with last year's failure, amounting to only 33 million bu, so that country will have to seek an outlet at a mutually satisfactory price. We have currently exported only small quantities of oats, barley, and rye, but we have been a big exporter of soybeans. While other countries have coarse grains to export, the only other large shipper of soybeans is Manchuria; so it will not be available until there is a settlement of the Korean situation.

Various trade estimates have indicated that while European countries want all the U. S. wheat they can get so long as the subsidy is available to them, doubt has been expressed that these same buyers would be willing to pay the higher price necessary to buy wheat at the full market value. CCC has announced the program for March and April clearances, and will issue the May program as soon as determinations can be made on the relative need of importing countries. The latest official exports have been given to end of January amounting to about 140 million bu wheat and flour, which may have been increased to around 175 million bu by end of February. This is not all IWA wheat; so there is a balance that could be shipped after these March-April clearances that would still come under the International Agreement. Actually, there is no assurance from Washington that permits will be issued after April to cover any particular sale except under IWA. This leaves doubt as to the export program in the closing months of this season. Currently Holland has been buying because they have had the largest unfilled quota in the Agreement, but part of their wheat has been for June and even some of it for July shipment. These sales have been priced basis new crop and early Southwestern new-crop wheat undoubtedly will be used to fill these sales. The status of both the old commerical sales and shipments under government relief programs will probably have to be clarified before correct appraisal can be made of the additional commercial sales for the closing months of this season.

Outside of some possible stockpiling there appears to be nothing in the world wheat situation to expect a continuation of extraordinarily large clearances from the U. S. because it is supposed that Canada n ext fall will again have normal quality wheat and share the demand from importing countries. European crops are rather satisfactory, although winter wheat outlook is not as good as last year, and too much moisture has handicapped spring work, so that acreage goals may not be reached in some countries. Spain, however, which country has been somewhat prominent in the import column in recent years, has a crop that it is said could not be better, so that if weather continues favorable until June, the wheat harvest may solve the country's bread program. Conditions in North Africa, which area also has an early harvest, are promising, so that the general European situation may not be much different from the current season. Although France had a poorer crop, they have exported, and recently were reported to be offering wheat to India in exchange for oilseeds. There does not appear that there is anything but a temporary exceptional demand for U. S. wheat and corn, so that we consider the most important price-making factor in our grain markets to be the weather for the new crops.

Primary receipts of wheat today were 794,000 bu compared with 752,000 bu last week, and 494,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 56,000 bu. UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 22, 1951

Weather in the Southwest has not been conducive for proper development of the crop. Various reasons are given for the present pessimism. Some feel that it is not only the fact that we had a prolonged dry spell, but that the period of cold weather may have caused heavier abandonment than usual, all of which seems possible. After all, we have become spoiled because in the last seven years we have had successive wheat crops of a billion bushels or more each season, which is not only abnormal but something that occurred only once before in history: namely, in 1915, when production was slightly over the billion-bushel mark. There is no assurance that these big crops are here to stay even though technological development has become great, and we are undoubtedly using better and more fertilizer with farmers able to afford such luxuries, all provided the chemicals can be acquired, and we know that certain nitrates and phosphates are scarce because of our export program in trying to help some of the less fortunate countries.

However, with the big acreage now intended for spring wheat planting, it is almost a certainty that with average conditions we might raise 300 million bu spring wheat. This would only entail a winter wheat crop of 700 million bu to give us the eighth successive billion-bushel crop next summer; also, not unlikely based on present conditions, although it would be a reduction of about 200 million bu in the winter wheat outlook from the figures the government gave us in December. We appreciate that there are a good many people who doubt that this can be accomplished because of the fact that the outlook in Texas and Oklahoma is rather pessimistic. Yet it should be borne in mind that we raised 750 million bu winter wheat last season with a virtual failure in Texas and a very small crop in Oklahoma. Possibly the reasoning in our minds runs parallel to the thinking of others who are not particularly anxious to buy wheat futures until they can be sure that damage is actual rather than prospective. This does not insist or intend to convey the thought that irreparable damage was not sustained in a good many areas. In trying to evaluate conditions so far ahead one must make allowance for improvement as well as continued deterioration, and, too, there are many areas in the soft winter wheat states where moisture and other factors have been extremely favorable, and there could be some offsets against the poorer areas even though it seems extremely doubtful whether they can be entirely overcome.

Clearances of wheat and flour, as given by Broomhall, were somewhat less for the past week, and amounted to 6.8 million bu, which brings the total to 188 million bu since July 1st, and compares with 223 million bu a year ago. Yet it is apparent that even though everything is being done to permit the orderly exportation of grain, physical difficulties have arisen, and while undoubtedly a good deal of wheat already at the seaboard has been cleaned up, it may not be quite so simple to replace those stocks by rail transportation from the interior.

With that in mind one still has to be prepared for quite a big carryover at end of the season, and this undoubtedly is the reason for the narrowing tendency between May wheat and the new-crop futures, particularly with crop scares that are being circulated. The weekly bulletin from Oklahoma was a little on the pessimistic side today. They say that prospects are very poor in many west central and southwestern sections. The late-planted wheat has come up to poor stands. All this plus green bugs, insects, etc. has severely damaged the large acreage in the Southwest, and it is likely that land may be abandoned or turned over to cotton and sorghums later on.

Primary receipts of wheat were a little over a million bu, which was about the same as last week and compared with 694,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 138,000 bu. When the visible supply is posted on Monday, it will compare with a decrease last year of nearly 1 1/2 million bu.

There was no particular feature to the market except crop scares were heard from various sources. The fact that they were so persistent brought some new buying into the deferred months. May wheat was relatively neglected although it went up somewhat in sympathy. The milling demand continues very slow. Flour business is extremely quiet with hardly any inquiry from bakers. For that reason, there are not many hedges being removed and new export sales are not overly active although some additional business was claimed with Holland. March wheat expired at more than 4¢ per bushel discount under May. There was some strength shown in the deferred months of beans while the March and May deliveries were wanted at the ceiling with only a limited trade.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 26, 1951

World hog numbers on January 1st of this year were 297,200,000 head, which was a record total for all time. Here at home we also have a heavy feeding program, which has led many people to the belief that the carryover of corn would be very drastically cut by end of the season. There seems little doubt that we shall probably eat somewhat into our reserve stock even though we raised 3,131 million bu corn last summer. All this is an indication of a heavy disappearance at home, but whether we have actually consumed as much corn as some people have forecast remains to be seen. There have been any number of substitutes and it is still possible that we may carry over close to 700 million bu corn on October 1st, which would be considerably more than is looked for in some quarters. On basis of the indicated acreage for next summer's corn, and assuming 1945 to 1949 average yields, we may not produce a crop of more than 3,050 million bu, which would be slightly below the 1950 production. Should that be the case further inroads might be made on our corn stocks, but since the acreage is somewhat larger than last year and better in the commercial areas, we still believe that there is a good possibility that the crop will be bigger. On the indicated acreage and conditions similar to the 1948 crop we could raise 3 1/2 billion bu. It is probably too early to come to any definite conclusions.

Nevertheless the trade generally is bullish on corn, despite the carrying charge, which has been a handicap for some time, the tightness of railroad empties and other factors that prevent the full commercial usage. Furthermore, we are using our total farm land to good advantage, and the chances are that 366 million acres will be planted to the various crops this coming season, which would be about 8 million above 1950. The government is somewhat concerned that farmers' prospective corn plantings are only 85.7 million acres, as a figure of 90 million had been expected. Undoubtedly a good many farmers are holding down their planting intentions because of the fears of shortages of labor and supplies. Nevertheless, it is likely that as the season progresses if farmers find adequate production materials available, they will probably grow more of the crops needed currently than is indicated at present.

When our market opened this morning there had been some rain reported in southern Texas and a little around Lubbock. However, the main areas of the Panhandle are still unrelieved. There is a better forecast, however, and both the official and that of our own weather man were somewhat more optimistic with respect to overnight rains, all of which seemed to have had very little influence on the market. In fact, there were some buying orders in the December wheat future that had a stimulating effect on the entire market and our opening this morning was very strong. This spread to other cereals, and with no further news from Korea that the Chinese Generals might be willing to listen to an offer from General MacArthur to meet in the field to discuss peace, there was a somewhat more bullish feeling all around, and some of the shorts of last week were inclined to cover. They may have had in mind that weather forecasts were not quite as definite as we have had them in other instances, and there seems to be some doubt whether the far western areas will get too much relief. In any case warmer generally for the Southwest is expected.

When the visible supply of wheat was posted there was a decrease of 2 1/2 million bu which cut total stocks in all positions to 172.6 million bu compared with 160.4 million last year. Corn stocks decreased 1 1/2 million bu to 65.4 million bu vs. 44.4 million last year. Oat stocks showed a shrinkage of 310,000 bu to 12 3/4 million bu in all markets compared with 11.1 million a year ago. Here at Chicago, our wheat stocks declined 647,000 bu, and are slightly under 6 million bu. Chicago corn stocks were practically a standoff. There is nearly 16 million bu corn in this market, oats showed a small decrease, and there was little change in rye, with still 4.8 million bu in this market, plus 269,000 bu in bond, and 196,000 bu afloat. There was a small local increase in beans, amounting to 172,000 bu; the total in this market is 5.1 million bu.

Markets were strong at the start, there was very little reaction despite the fact that the flour business was extremely poor both for domestic and export requirements. A few bad crop reports were circulated, and these probably brought in some buying, others were loathe to sell short, and altogether the market was not particularly exciting.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 27, 1951

Despite ceiling threats and actual ceilings on some farm commodities, the 1950 net income of farmers in this country was 8% less than 1949, the net being $13 billion compared with $14.1 billion. This is down 27% from the record high of $17.8 billion in 1947. The advance in price in the latter part of the year failed to offset the decline for the first half; also, volume showed a reduction of 6%. The gross income of farmers last year was $32.1 billion, which although slightly smaller than 1949, was offset by an increase of 6% in farm production expense that amounted to $19.1 billion.

The U.S. has sold all the wheat under the International Wheat Agreement that could be made available under their quota, and is said to have remaining less than 1/4 million bu in the form of flour. Our total share was 248 million bu. We have believed right along that the urge to buy U.S. wheat has been prompted by the inability of Canada to sell sufficient quantities of millable type wheat, and this was further aggravated, according to Broomhall, by the lack of foresight on part of the Canadian authorities in moving their better qualities of wheat to the seaboard before things became congested with the large amount of high moisture grain that has had to be dried in the elevators. The last report as of March 22nd showed that Canada still had 76 million bu unsold on their IWA quota, which at that time compared with 81 million bu for all countries. Provided world importers have to pay the full market price for wheat and flour, they might be able to secure additional quantities from the U.S., but as our government is allocating shipments from month to month, these buyers will have to be guided by our ability to handle the grain internally because of shortage of box cars, and also, the available facilities at our ports, and the securing of ocean shipping space. It would appear, therefore, that new export business is likely to be small from our country until these matters are clarified.

We are in a crop-scare period in the Southwest wheat areas, with some drastic warnings as to the possibility of irreparable damage. On the other hand there are many in the trade who feel that if rains come before too long we can still raise a good amount of wheat. We must not overlook that by December our government had already taken into account severe damage to the Texas crop, estimating only 57 million bu production on 6.4 million acres sown; in Oklahoma 77 million bu from about the same acreage as was sown in Texas. Farther North in Kansas they estimated 202 million bu from 14 1/2 million acres, which collectively for these three states was about 336 million bu. Other states did not winter too well, as example, Missouri, but they had only 22 million bu estimated production last fall and Nebraska may have lost some from their 96 million bu estimate, but elsewhere, generally, conditions were satisfactory. The whole country last fall had been estimated at about 900 million bu winter wheat; so even if we should lose 200 million bu and raise about 300 million bu spring, which would be about normal on the prospective acreage, we would still produce 1 billion bu wheat, or approximately the same as the current crop we are now consuming. In the current crop Texas produced only 22 million bu, Oklahoma 43 million, while Kansas and Nebraska were also less than the current estimates by 36 million bu combined. We believe it is too early in the season to have convictions as to the size of the crop, as we have seen only too often that acreage almost given up as hopeless in the Southwest has finally come through with satisfactory production when rains have been received. On the other hand we are also mindful that no matter how large an acreage is sown, we still cannot raise wheat unless we do get the moisture.

The Department of Agriculture has promulgated new standards for rye grades to be effective July 1, 1951. In substance the change is a reduction in the percentage of thin rye and other material that will pass through a specified sieve and they have reduced this to 10% for the grade of #1 as compared with 20% previously and 15% for #2 grade, which also was 20% in the former standards and still in effect until July 1st. #3 grade of rye will permit 25% of the so-called thin as compared with 30% earlier. They have made no change in the requirements that plump rye shall contain not more than 5% of thin rye.

The market was under the influence of adverse crop reports from the Southwest, with the rainfall during the past 24 hours being of only minor importance. Until more is known of the overall picture of the crop, and just how important the southwest deterioration has been, shorts are likely to be on the defensive.

Stocks of wheat in Minneapolis and Kansas City so far this week have increased 18,000 bu. Primary receipts of wheat were slightly over 1 million bu, not much different from either last week or last year.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 28, 1951.

Surprising rainfall in the Southwest overnight turning to snow in some places during the day has brought the best precipitation in some time. In the Southwest corner of Kansas and Oklahoma Panhandle, the snow was heavy enough to impede automobile transportation. Some points reported up to 1 1/2 inches of moisture. Precipitation seemed to start about at Amarillo extending northward catching the northwest portion of Oklahoma and spreading out generally throughout Kansas; also some heavy amounts were received in southern Nebraska. We are mindful that the government weekly report and private statements have been to the effect that even with rain, prospects in some areas are that it is too late for optimum benefit. Other areas have had abandonment because of the drought and insects. Nevertheless, historically the southwest area has a way of recuperating when ample rain is received, and also being still March the season is early; so we are not willing to assume a pessimistic attitude on the final outcome of the winter wheat crop as a whole.

Now that the U.S. has sold its share under IWA, countries must look elsewhere especially as our facilities are being burdened in handling our shipments. Overnight U. K. bought about 5 million bu #5 Manitoba wheat from Canada for shipment out of St. Lawrence ports, and this was on a sterling basis, indicating that they are not only willing to buy wheat which usually is not considered of a milling quality, but they are also paying for it with their own funds. For the first six months of this season the latest statistics quoted for U. K. imports were that they had received 65 million bu wheat and flour compared with 90 million bu for the year before. Even then their total purchases were small, as for the full 12 months they bought 166 million bu compared with 212 million during the 1948-49 season. They were handicapped in their fall sowings due to wet weather, so that they put in less winter wheat than planned and now the spring weather has brought further heavy rains, and it appears unlikely that the wheat acreage target will be reached. Although they are receiving shipments of coarse grains from Russia they have had no wheat from that source all season. Russia has actually shipped 15 million bu wheat, about double the quantity of a year ago, but it has gone to other destinations, mostly to European Continental countries, but also a fair amount to Egypt.

Insofar as new commercial business in our country, it seems to continue slow, as flour buyers continue to be inactive and no new export business for old-crop shipment can be done at the present time.

Commodity Credit Corporation has bought some rye for export via Atlantic ports. Yesterday, they purchased 100,000 bu through their New York office, and 831,000 bu through their Chicago office. Some of this rye will probably move out of Chicago, and there appears to be a stipulation that sellers may not replace their purchases with Canadian rye for at least sixty days. Reasons back of this stipulation are not forthcoming, but, nevertheless, it appears that CCC is willing to take rye of Canadian origin, which for a number of years they have been unwilling to do, as they confined all their purchases to American origin. Chicago prices for some time now have been at a lower price than those in Winnipeg; so it is obvious that we cannot continue to draw supplies from that area.

Buying power in our wheat was not so pronounced today, although houses with export or commercial connections bought the July on a number of occasions. The continued reports of moisture throughout the day received from the Southwest, prevented further speculative type of buying, especially with news from Korea of the presence of our Ambassador at the front, and what seems to be a more conciliatory attitude of Russia at the Big Four Conference at Paris.

Corn was higher than last night's close part of the day, but it gave ground later in the session. From our observations there seems to be ample corn for our needs, and terminals are not selling much for shipment. Further the continued tight boxcar situation delays fulfillment of previous shipping contracts, although there is an indication that cars are becoming more plentiful. We believe that if more cars were available in country locations there would be a larger movement, and more willing attitude on part of producers to sell corn to country elevators.

Primary receipts of wheat today were 829,000 bu which is slightly over last week and compares with 273,000 bu a year ago. Stocks of wheat at Minneapolis and Kansas City so far this week have decreased net 32,000 bu.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 29, 1951

We hardly recall a season when there has been as much pessimism with respect to the growing crops, and it is rather difficult to pin anybody down as to what has really caused the deterioration. Some are of the opinion that the damage sustained was mostly because of insect infestation. Others believe that a prolonged period of dry weather during which time low temperatures prevailed may have caused the plant to weaken in stamina. Naturally these things in nature are not easy to determine, but possibly we have become spoiled for the reason that there was very little damage reported now for six or eight years during the spring months. Possibly we forget that the wheat plant itself is different from a hot-house plant in that it has shown tremendous recuperative power on other occasions. We appreciate that where irreparable damage has been sustained, or where the grain is plowed up, the chances for recovery are nil, but even assuming heavier abandonment than in past years, we have to take into account now that the rains have certainly improved the outlook on the standing acreage.

From that point of view we may have heard the most alarming reports with respect to winter wheat. After a week or two of growing weather we should not be surprised to see some improvement. On the assumption that the soft winter states are in pretty good shape, it is probably fair to figure that Pennsylvania, Ohio, Indiana, Illinois, and Michigan will probably produce close to 170 million bu wheat; in fact, with the fine moisture the results could even be better. If that is the case it would take only about 575 to 580 million bu elsewhere to give us as big a winter wheat crop as last year, and assuming that there is some recovery in Kansas, Nebraska, Missouri, etc., we still do not take too pessimistic an attitude even though we realize that the toll has been heavy based on the December expectation. We also have to figure on a normal crop for the Northwest, and with the big acreage 300 million bu is still possible, although there may be more nervousness expressed in the markets on the fear that something might develop later in those areas. For the time being we expect that our export outlets will slacken, as far as new business is concerned. This does not imply clearances will not be heavy, but apparently much of that business has already been accounted for, freight has been engaged, hedges have been removed, and from a market point of view it will only be interesting from a statistical standpoint. Later on we must be prepared for a much higher quality crop in Canada, as it is seldom that two failures occur successively. Last year the bushels were there but unfortunately a large percentage of the crop was unfit for human consumption, and this imposed a greater demand for U.S. grain. Therefore, after October we might find a different situation prevailing, and for that reason we regard present price as debatable even taking into account all the inflationary factors at work.

Our market opened somewhat higher on disappointing news with respect to China being willing to accept peace overtures. Apparently they regarded General MacArthur's offer as an insolent one, and at least for the time being they appear to be a little more aggressive, all of which caused some short-covering in commodity markets.

Primary receipts of wheat were 1,483,000 bu compared with a little more than 1 million bu last week, and 617,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 39,000 bu.

Markets were all very strong. Wheat in particular was purchased, and a good many people are fearful that while rains generally bring relief some of the moisture came late. This could be particularly true in Texas and the southern counties of Oklahoma, but time alone will tell what appraisal must be made of the crops in the districts farther north.

Milling demand is still poor. There is a little trade from hand to mouth, but according to the Southwestern Miller, current sales range to less than 25% of milling capacity, and a blank for some of the mills. Export business is almost at a standstill, and as long as such conditions prevail there is no particular reason to believe that May wheat will gain on the new-crop futures. In fact, if the crop outlook continues poor we might even have a carrying charge.

Corn was reluctant, but finally gained some ground.

Beans were quite strong.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

[illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 March 30, 1951.

So many alarming reports have been circulated with respect to winter wheat that even news of rain, which would ordinarily influence a market, seems to have very little effect. Apparently there are many people in the trade who have concluded to their own satisfaction that the crop is bound to be small, and they apparently reason that the insect infestation will mean heavy abandonment, all of which hascreated very bullish sentiment irrespective of any other factors which have recently developed. As one authority points out, damage undoubtedly has been suffered, with severe losses in some large growing areas; notably, the panhandles of Oklahoma and Texas, which are probably in the poorest condition, but deterioration has also occurred in western Kansas and other western areas, while the outlook is good in the Central States and the Pacific Northwest.

We were reviewing yesterday some of the reports that had been circulated a year ago. In fact, they were almost equally dismal in trying to appraise the outlook, and while there was a fairly substantial reduction from earlier estimates, we still harvested a crop of 750 million bu, and in our opinion, the same might be true this season, provided, of course, we have normal weather from this time onward. The five-day outlook was quite optimistic but practically ignored, as the feeling is so universally bullish that a good many people are skeptical as to the amount of improvement that may take place. Precipitation is expected to range from 1/4 inch in Nebraska, Kansas, and western Oklahoma to 1/2 inch in Missouri and eastern Oklahoma, mostly in the form of showers in the west, probably by Saturday, but general showers again next Tuesday or Wednesday. For west Texas precipitation is expected to be light to rather moderate, a few showers Saturday and again Tuesday. From what we are told there are 21 million acres of land probably west of the 100th Meridian where the outlook is somewhat in doubt. It is impossible for even experts to determine how much of the wheat has life or how much has been killed, but apparently there is considerable gloom and some alarm expressed that the recovery will not be so great in any of those areas. The balance of the territory extending eastward seems to be in good shape. In our opinion, it may take a few weeks of growing weather before the situation can be properly evaluated, but in the interim there are going to be many fears expressed, and some of them marketwise, as to the final outcome.

Because of the low temperatures that have prevailed in some sections wheat has emerged rather slowly from winter dormancy. This in itself has contributed more or less to the concern which presently exists. As we have pointed out on previous occasions, with normal results in the spring wheat area we may still have a total crop in excess of a billion bu. Comparing this with a prewar average of 740 million bu, it is still not a calamity, although a considerable reduction from the earlier estimate with the government having indicated a prospect of 900 million bu winter wheat last December. At one time it appeared as though our total productionmight have amounted to nearly 1,200 million bu.

According to The Southwestern Miller about 2 million bu wheat was worked for export yesterday, including some spring varieties at the Atlantic Coast, also some wheat from the Pacific, but the majority of business was at the gulf and all comprised July clearance. This undoubtedly accounted for the persistent buying of futures in yesterday's market, and there may have been some additional purchases made this morning, all of which came simultaneously with the crop-scare buying, and there seemed to be very little offsetting pressure from any source.

A rather pessimistic crop report was issued by the Santa Fe Railroad painting a discouraging picture as far as wheat prospects are concerned. For example, they say that the wheat outlook in Oklahoma ranges from almost a total failure in the Panhandle counties to nearly normal east of Alva and Fairview. Best conditions are found in the territory near Enid, while in Kansas the areas south and west of Dodge City prospects are very doubtful. The situation is, however, more normal in the central and eastern areas of that state.

Primary receipts of wheat today totaled 1,435,000 bu compared with 646,000 bu a year ago. Last week was a holiday. Kansas City and Minneapolis stocks of wheat show a slight decrease so far this week of 146,000 and when the wheat visible is posted on Monday, it will be compared with a decrease last year of 302,000 bu.

Our market had a strong undertone throughout the entire session although flour business remains slack with bakers apparently resisting recent advances in the market. After the close today the new parity figures will be issued as of March 15th.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 2, 1951

Part of the bullishness expressed in the market is due to the continued increase in parity, and, of course, the advance during March was so great that a good many people are now beginning to wonder how much further the increase may be between now and end of June to determine the 1951 loan, which will be based on 90% of the then existing parity level. Despite the fact that we are trying to control prices, it seems to be a very slow process to stop the upward trend, and with higher prices for new cars, higher prices for food, clothing, building materials, and household supplies, all this tended to lift the index of rural living costs 4 points to 269% of the October 14th average, based on the March 15th figures. At this level the mid-March index of prices paid by farmers for commodities used for living was 13% higher than it was a year ago. It is quite obvious, therefore, that the next loan will be considerably higher than it was last year, and some people are now figuring that parity in June may advance to $2.45 a bu, which would mean a farm loan of $2.20 a bu, or possibly $2.52, basis Chicago. It seems almost ridiculous that farmers should have to receive help at such a high level at a time when we are trying to fight inflation; but, nevertheless, the farmer is in a favored category, and once all these benefits have been paid out it is going to be more and more difficult to try to take any of the payments or guarantees away without having severe repercussions politically. It should be borne in mind that 10 or 11¢ will probably have to be deducted from the terminal loan figure, which is the amount of terminal storage that farmers have to pay if the grain were warehoused for the full period in some elevator but even that would represent a price of nearly $2.42, and would be considerably higher than last year, so that we shall again have to figure that large quantities may be impounded.

The government has revised its figures slightly on the amount placed under the loan for last season, this now showing that there was 196 million bu wheat taken out of commercial channels, a slight increase from the previous report giving quantities tied up at end of January. There is always a slight lag in getting all the figures compiled. This does not take into account some of the redemptions, which may also have occurred. If prices continue at these levels there may be a very large quantity in free hands, so that probably a good percentage of the carryover will be available to the trade.

There was some light precipitation over the week-end in eastern Kansas and eastern Oklahoma but over the western sections where most needed, the precipitation which had been forecast apparently failed to materialize. This caused a little firmness at the opening but it seems that with the recent changes that have been made in personnel of the Department of Agriculture, great efforts will be made to increase spring plantings not only of corn, but of many other cereals in order to give us a sufficient quantity of feedstuffs.

This had a little bearish influence on the corn market, plus the fact that recent export demand has been very dull.

Shipments of wheat will probably continue on a heavy scale owing to the previous business effected but the U. S. Department of Agriculture has announced that cumulative sales of our wheat and flour under IWA have reached the guaranteed quantity of 248 million bu and that sales of wheat and flour regardless of destination will no longer qualify for export payment under the terms of the Wheat Agreement Program. This, of course, does not preclude the possibility that some sales may be made outside of IWA but naturally at the higher level such new business will undoubtedly be repressed.

When the visible supply of wheat was posted there was a decrease of 1,722,000 bu. This leaves remaining stocks at nearly 171 million bu compared with 160 million bu last year. Corn decreased 1 1/4 million bu to 64.2 million bu compared with 44 3/4 million bu a year ago. The oat visible decreased 313,000 bu leaving total stocks in various markets nearly 12 1/2 million bu against 11.1 million bu last season. Chicago wheat stocks increased 186,000 bu, totaling a little over 6 million bu; corn increased here in Chicago 97,000 bu, to slightly over 16 million bu; in addition to this the afloat stocks are 468,000 bu. There was a rather heavy shrinkage of our rye stocks, 388,000 bu decrease, leaving 4.4 million bu, plus some smaller quantities of bonded and afloat rye. Beans decreased 141,000 bu, there is still nearly 5 million bu in Chicago.

Markets had a rather weak undertone at one time, but toward the last on small buying orders wheat showed good recuperative powers, particularly for the far-off months; May wheat lost a little further ground, and corn, which at one time looked quite weak also recovered, and the close was higher. There was likewise

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 3, 1951

In our opinion the market has completely discounted the crop failure in Texas and the very poor prospects now existing in Oklahoma, at least in the southern tier of counties in that state. Whether Texas raises 2 or 3 million bu more or less than some of the pessimistic reports now contemplate is hardly a factor, and of importanc would be only a vast improvement should a miracle come about, which nobody expects Therefore, we believe that if the crop experts continue to harp on the areas that already have shown up so poorly, it will have very little market influence, but of greater interest will be the developments farther North as we get into Kansas, Nebraska, and Missouri. T he immediate weather outlook does not suggest any precipitation of consequence--rather warm weather and higher temperatures, which should give us a period of growth, as in some sections the plant has barely emerged from a state of dormancy. Moisture of last week was quite satisfactory over many sections, although from the reports we hear from time to time one would think that the drought had been persistent. The peculiar thing is that if weather were left to grain men rather than to Providence, we would probably have incessant flooding of fields, as so few people realize that there has to be temperance in weather, the same as in everything else, with periods of growth between rains.

When our market opened this morning, there was not much to influence it. There had been very heavy short-covering in all pits yesterday. This, of course, had weakened the technical position, and while there was not much pressure there seemed to be a little easiness at the start, particularly as the present price level in both wheat and corn can only be regarded as being very high. Of course, one has to revise his views based on the past. Formerly, before we had so much inflation, $1.50 was regarded as a good price, for wheat, but when we consider now that the government is apt to have a loan in Chicago basis $2.50 or more, it can readily be seen that our dollar is not worth nearly as much as it was. Despite all efforts to control prices, the difficulties are so great, particularly under the parity formula when inflation seems to feed on itself. We believe that Washington is gradually coming to the same realization, and while those who are most intent on trying to hold the line would like to junk the parity concept, we still have the feeling that it probably will not be modified as Congress will undoubtedly feel that agriculture still needs protection. However, OPS may ask Congress to accept a freeze on the application of the parity concept, as far as price ceilings are concerned. A plan now under study, according to Washington advices, is to hold commodity prices at some specific parity level, possibly using the January figure in order to prevent rapid and persistent increases every month. However, there are not many persons who expect that the Farm Bloc would accept such a plan on a statutory basis while labor stabilization was affected on an administrative basis, and apparently is being permitted to give here and there under certain conditions that will allow breaking of the line.

Primary receipts today were a little over a million bu, much the same as last week, and this compared with 906,000 bu received last year. Kansas City and Minneapolis stocks so far this week show a total increase of 82,000 bu.

Not much attention is being paid to the steady decline in soybean oil meal. It was quoted today at $60.50 to $61.50 a ton, and has shown a sharply lower tendency in recent days, despite the fact that oil prices have held firm. Trade in beans was not particularly heavy but apparently some buying came into the pit, which had a stimulating influence on the deferred months.

The first lake steamer cleared Chicago with 238,000 bu corn. This cargo was destined for Walkerville, Canada, and we understand that two additional cargoes of grain are expected to clear within the next two days. It probably will be some time before steamers can sail from Duluth, but outside of the customary movement of wheat to Buffalo mills, there apparently is not sufficient eastern demand to attract coarse grains from the Northwest for use in the East. Buffalo is currently purchasing corn at about 2¢ under Chicago May with consideration of freight.

The Northwest expressed optimism regarding seeding of the new spring wheat crop, with operations already started in southern Montana and South Dakota. In a week to ten days seeding is likely to start in southwestern North Dakota, but it might be as much as 4 weeks before other portions of North Dakota and northeast Montana get under way. There is said to be plenty of moisture for the start of the crop nearly everywhere. We are reminded of the very late seeding a year ago, and the final good outturn of the crop; having seen how provident Nature usually is we are inclined toward hopeful views on the overall grain productions this year.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 4, 1951

There was no overnight moisture in the Southwest but the weather map appeared to be somewhat more favorable for precipitation, at least a low is developing. This may bring relief to some of the western districts but did not have much market effect, as the trade is in a rather gloomy frame of mind with respect to crop developments. It is generally felt that when the government report is issued later this month, there will be a heavy reduction from estimates that were made last December.

Broomhall's Foreign Crop Summary stated that there had been unsettled weather over the Continent, and wet fields in many sections haveslowed plowing and planting operations. As a result of this, it is doubtful whether acreages will finally come up to expectations. Winter grain conditions are spotty for the Continent as a whole, and considerably below a year ago. This, of course, brings up the question of what our export requirements may be in the coming season, but we still count on much more help from Canada, which was not afforded during the current season, due to the fact that there was so much low-grade wheat of inferior quality that it could be used only for animal feeding. Coming back to Europe, conditions in Spain and Portugal are still very favorable, which might mean smaller takings of red wheat next season, but it is still far too early to be sure on that score. There have been abundant rains in France during the month of March; in fact, to an extent that it caused loss of color in crops on heavy soils, and at the moment it is almost impossible to get into the fields so that spring work is retarded, and we may hear some complaints from that source later on. It also has been cold and rainy in Italy, which has held up field work. The same authority claims deterioration over central areas but no estimates of the extent of loss can be given at this time.

Here in the Central States we have had abundant moisture, and the outlook for soft winter wheat should be very good. On the other hand, the persistent rains have caused some delays in field work, and for Illinois the weekly bulletin states that only 1% of the intended oat acreages has been sown thus far, which is the smallest fraction for this date in over ten years. In 1945 and 1946, growers had sown half their acreage by early April, and the average should be about 25%; so the situation bears watching, although is not too serious yet, particularly for the northern half of the state, which produces 80 to 90% of the crop. In the South growers are a little more concerned as they have found from past experience that oats sown in their areas after April 1st frequently suffered from hot weather during the filling stage. Of course, a few days of warm weather would change the picture materially, but lateness of the season is also being expressed by some people in Iowa, and yet we must always bear in mind that when the soil is good and wet, germination takes place quickly. So there may be some offsets a little later on. The main thing is to get a spell of spring weather, and this refers also to wheat, which is expected to show more vigor after we get more normal temperatures.

Commercial business is slow with continued reports that flour business is almost at a standstill, bookings averaging less than 10% of mill capacity; also, that the export flour trade is at a halt. We did not hear of any export wheat business although there has been some inquiry. The cash basis was slightly easier in Kansas City. These old crop factors continue to affect the difference between May and July futures with the difference continuing to narrow. There was 3,213,000 bu #2 red wheat in deliverable position in the weekly Chicago report which is the grade mostly delivered on futures this season. The high point of stocks of this grade was reached on December 2nd at 4,448,000 bu. Unless a definitely better demand springs up for this wheat soon it most likely will be here available for delivery on the May futures as that would be the last chance to tender it on futures before the new crop.

A professional crop observer sent reports from the Northwest part of Kansas of somewhat alarming nature but we will have an overall appraisal of the crop on April 10th when the government comes out with their estimate as of the first of the month. Meanwhile, there appears to be a cautious attitude in the market because we are getting into growing weather.

Cotton has been quite weak and reports of conditions in that belt are very good, which in turn appears to be affecting our fats and oils markets resulting in weakness in our crude soybean oil and lard.

Kansas City and Minneapolis wheat stocks have increased 105,000 bu so far this week. Primary receipts were 1,195,000 bu compared with 829,000 bu a week ago and 360,000 bu last year.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 5, 1951

Showers and thunderstorms were quite general the past twenty-four hours over the Southwest, which included the Texas and Oklahoma Panhandles, as well as western Kansas, with indications that there will be further showers and thunderstorms this afternoon and tonight. Greeley County, which is in the west central tier of Kansas, in which is located Tribune, reports that they already had an inch of rain last night, while a message from Woodward, Oklahoma reports a half-inch rain which extended thirty miles northwest to Laverne. There is no doubt that in areas a certain amount of irreparable damage has been done, particularly in the Panhandles of Oklahoma and Texas, and that deterioration occurred in western Kansas and other western areas. However, it has been a backward growing season. Generally speaking wheat is just emerging from the dormant stage, and we have seen in the past that fields that have looked like almost a total loss may, with the proper weather conditions, revive very quickly.

The Kansas weekly crop report, issued yesterday, stated that rains and snows during the past week were welcomed by farmers in the western two-thirds of the state, and many wheat fields that appeared dead are showing signs of life. However, other fields are apparently too far gone to make a recovery, and the extent to which the large acreage of wheat which appears lost may be revived should become apparent within the next two or three weeks. Undoubtedly the government report to be issued on the 10th of April will show a sharp reduction in prospective winter wheat yield, but any report compiled as of April 1st is subject to considerable revision at a later date.

Meanwhile weather conditions in our Northwest are quite favorable. A very good friend of ours, whom we consider well posted on the situation, states that spring has been slow in coming to at least a part of that area. When the letter was written a few days ago, southern Minnesota was still covered with snow, and it will probably take three or four weeks to get the fields in shape for spring work. This probably also applies to northern Iowa. However, the balance of the territory shows a marked improvement from last year where they have had more than normal snowfall. There are no areas that are short of moisture, and this year the Red River Valley is in very little danger of flooding unless excessive rains should occur. He anticipates that general seeding will be started in South Dakota this week, and while it is slightly on the late side, it is not abnormally so. Even though winter wheat yields should be reduced to 700 or 750 million bu, which at the present time we will take as the extreme figure, with a prospect of 300 million bu spring wheat, the total wheat crop might amount to a billion bu.

Farm selling of wheat has been on a somewhat larger scale, and movement from the country has enlarged particularly in the Northwest due to an easing in the car situation.

In checking with some of our Illinois offices, we find that in some areas farmers have been in the fields sowing oats, but in many sections fields have been too wet for farm work. However, should the soil dry out by the end of the week, planting no doubt will be speeded up.

Primary receipts of wheat today were 1,736,000 bu vs 1,483,000 bu last week, and 693,000 bu last year. So far this week Kansas City and Minneapolis stocks show a net increase of 196,000 bu.

The CCC reports their inventory of wheat at the end of February as 237 million bu, or 19 million bu less than previous months. Also, there was a reduction of 17 million bu under loan. In analyzing the figures, it appears that a good amount of wheat will be in free hands at the end of the crop season against only 59 million bu free wheat in last year's carryover. Their corn inventory for the month was up 13 million bu, to a total of 433 million bu, with 20 million bu in process of liquidation and re-sealing, as compared with 44 million the month previous. The overall picture in corn shows practically 600 million bu in the inventory or under loan from various crops.

There was an easier tone generally in the cash markets, both in the Northwest and in the Southwest. The Southwestern Miller reports the demand for flour as near a halt as has been experienced in some months. Most flour buyers are still well covered, and will need very little additional quantities for the next 60 days.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 6, 1951

The Wall Street Journal, in a special article today, calls attention to the fact that although the U.S. and Canada are more or less in the same economic boat in trying to ride out an inflationary tendency aggravated by rearmament in the two countries, they have adopted almost diametrically opposite methods. In the U.S. we are now struggling with the complications of price control and wage stabilization, which have already presented many difficult problems, and have probably given people in this country a false feeling of protection against inflation. The paper work that will be forced on many businesses through price ceilings is enormous. In Canada they have adopted the policy that controls do not work except in actual warfare, as expressed by Prime Minister Louis St. Laurent: "Long before we adopted price ceilings in 1941 we started reducing the spendable incomes of most people by taxation, by restriction of credit, and by the encouragement of saving." He further adds: "It is wise to learn that price ceilings do not prevent inflation." The unfortunate part about controls and the complaints of rising costs of living is that everyone thinks that controls should be placed on articles other than those raised or manufactured by themselves. We have already had examples in this country recently on ceiling prices for cotton and the feeling of the labor element as to wages, etc. In Canada more orthodox methods are being used by the curbing of spending and the restricting of credit.

Another example of the detrimental effects at times of government restrictions is seen in the Argentine. The corn outturn of that country is supposed to yield only a modest surplus of 60 to 80 million bu from an estimated crop of 177 million bu, which would be quite small. Weather conditions in the Southern Hemisphere, according to Broomhall, are favorable for preparing the soil for wheat, linseed, and coarse grain crops. However, there is considerable discussion as to acreage prospects and the impression among many in the trade is that no sharp changes are likely. While there has been some improvement in the supply of agricultural equipment in the Argentine, it still remains far from adequate, but one of the great difficulties is in obtaining farm workers except at high pay and for short hours. On basis of present prices paid to farmers for their product, the incentive is not there to raise crops even though that government continues a campaign to obtain greater production.

Also, according to Broomhall exports of wheat and flour from the U.S. for the past week total approximately 7 million bu, bringing the total since July 1, 1950 to approximately 208 million bu. If we continue to export at the rate of 7 million bu a week, which is rather high, to June 30th, or thirteen weeks, it would mean an additional quantity of 91 million bu, making total exports approximately 300 million bu. Figuring our domestic consumption at 725 million would put the total disappearance as of July 1st at 1,024 million bu, which is about equal the crop raised of 1,026 million bu. This would leave us with the same carryover on July 1,1951 as in the previous year.

There was again excellent moisture overnight in many areas of the winter wheat section with the exception of the Panhandles of Texas and Oklahoma. Hutchinson, Kansas reported over an inch of rain, Garden City 1.67 inches total for the past few days, Dodge City had rain during the night, and Enid, Oklahoma has had a total of .8 inch. The prediction is for further moisture in eastern Kansas and Missouri, with the showers extending into the corn belt. There had also been moistur reported over Iowa, Nebraska, and Missouri.

The five-day forecast for the Southwest is an extremely favorable one. The prospect of 1/2 to 1 inch moisture in western Nebraska and western Kansas, 1 to 2 inches western Oklahoma, with showers and thunderstorms beginning in the west sections Sunday afternoon. For west Texas, not as much as predicted but the forecast holds forth the possibility of rather general moderate precipitation. Showers Sunday or Monday.

The recent rains, plus the forecast led to an easier feeling in wheat, coupled with the fact that flour demand still shows no signs of increasing.

Primary receipts of wheat today totaled 1,492,000 bu compared with 1,435,000 bu a week ago. Last year was a holiday. So far this week Kansas City and Minneapolis stocks of wheat show a net increase of 249,000 bu. When the visible is posted on Monday it will be compared with a decrease last year of 148,000 bu.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 9, 1951

There seems to be quite a bit of confusion on Capitol Hill pertaining to farm price ceilings, and some attempt may be made to work out a solution for the rather rigid parity ceilings provided in the present law. It is rather difficult to form any clear-cut conclusions until further discussion takes place in Washington. Meanwhile, Senator Aiken of Vermont asks that all price and wage controls be immediately removed. According to a statement he believes prices would be at least 10% lower if controls never had been imposed and there had not been all the advance talk about them. To quote from his statement: "As for wage controls, labor has made it clear they won't accept them." He further comments: "Any attempt to freeze farm parity as a means of curbing food prices is more or less making a scapegoat out of the farmer." The one question that is being considered for ceilings is that of using the parity at the beginning of the year rather than to permit it to advance if prices seek higher levels.

Last year, on June 15th, the date for setting the wheat parity was $2.21. As of March 15th parity stood at $2.40; the loan price for the 1950-51 crop, basis Chicago, was set at $2.31, and if the same formula and differentials are used this year it would suggest a price of $2.48, or 17¢ higher. However, the farmer will have quite a different set of conditions for the new crop from those existing in the past: namely, the fact that when his wheat is placed in storage, he will be assessed 11¢ should the wheat remain in store for the full period. Undoubtedly if the crop moves anywhere close to the loan price, it will have a marked influence on the amount of free wheat to come on the market. In former years when the producer was not assessed the storage, the market more or less had to seek the level of the government price. Under the present arrangement, the charges accruing against the farmers will progressively increase to the 11¢ if carried the full time. We believe under the circumstances that a larger percentage of the crop will seek its way into the open channels of trade.

The strength in the market today was caused by a rather sensational report put out by one observer stating that in six states 20 million acres are now dead out of 36 million planted and with the staggering acreage losses looks like a national calamity. We have seen in the past where some of these extreme reports have been rather incorrect when the final crop was counted. The statement that was put out does not seem to agree with several messages which we have received from our territory, one from Salina stating that wheat is greening up even in most spots where it was thought it had been killed by worms and more optimistic reports are expected from this time on. We also have a message from Enid mentioning that the grain trade in that locality does not agree with the pessimistic report, and that one party who had made a rather extensive trip from Amarillo through Spearman, Perryton, Woodward, etc. thinks there are a lot of fields, particularly from Perryton to Woodward that are fair to good and still lots of chances for further improvement. Wheat is a very hardy plant and can sustain a terrific amount of punishment. It has been a backward season and the plant has not really had a chance to show what it will do under favorable conditions. The government report to be issued tomorrow is awaited with great interest by the trade but it must also be considered that there has been improvement since the first of April when the government figures were compiled.

Judging by the movement from the country the farmers do not seem to be too pessimistic. There were 592 cars in Kansas City today and the country movement has been relatively heavy during the past week. Receipts in the spring wheat states were also tremendous. There were 665 cars in Minneapolis vs. 149 a year ago and 583 cars at Duluth vs. 162 last year.

Primary receipts of wheat totaled 2,915,000 bu against 2,681,000 bu a week ago and 1,096,000 bu the comparable day of last year. When the visible was posted wheat showed a decrease of 1,866,000bu, leaving a balance of 169,063,000 in the supply, or about 9 million more than a year ago. Chicago stocks of wheat declined 34,000 bu but still total 6,089,000 bu. Corn stocks in Chicago decreased 1,006,000 bu, leaving a balance of 15,086,000 bu.

Short-covering of wheat on part of locals was in evidence and the general trade showed some improvement. The sharp pick-up in prices has not brought about any expansion in flour business to-date. Inquiry still remains light.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 10, 1951.

A professional crop reporter now touring the wheat areas of the Great Plains states said the crop is "fast developing into the worst wheat fadeout since 1935." He had completed the survey of 20 million acres wheat out of the 33 million acres planted last year in the seven plains wheat states, and of the 20 million acres in Kansas, Texas, Oklahoma, Colorado, and New Mexico 13 million acres now are a total loss. "This is the worst crop report I have had to file in fifteen years. What looked in January like a fair crop has turned into a near fadeout. Greenbugs, root rot, drought, dry weather and winter kill are the causes for the rapid deterioration of the crop. It is too late for rain to do any good now in the hard hit areas." He explained the drought produced ideal conditions for greenbug growth. The above is a verbatim quotation from the Kansas City Grain Market Review of April 21, 1950, and had reference to the 1950 crop. Again this same reporter was out with a very pessimistic statement yesterday of a calamity crop. We do not belittle anyone's opinion, particularly one who is regarded in certain quarters as an authority. Nevertheless estimates made around the 1st of April are always subject to changes.

We will have a government report this afternoon which will give some official figures, but even in the Crop Reporting Department at Washington it is recognized that it is only an estimate at best. Whether the remarks of Secretary Brannan, made after a meeting in Iowa, bear any connection with the report to be issued this afternoon remains to be seen. However, he predicted the winter wheat crop would not be seriously curtailed by the dry weather which has cut into production. Referring back to the 1950 crop, the acreage seeded was approximately 52,887,000 acres. The December estimate was placed at 884 million bu, while the final outturn was approximately 750 million bu. This year there is an increased acreage seeded of slightly over 3 million acres. In 1950, the final outturn in Kansas, the largest wheat producing state, was 178 million bu against a December estimate of 207 million. Oklahoma's final outturn was approximately 44 million bu, while Texas produced only 23 million bu. The 1935 crop was a short crop producing only 465 million bu. However, the seeded acreage was only 47 million acres, while only 33 1/2 million acres were finally harvested. The final outturn this year is still in the "laps of the gods" but should we get normal growing weather between now and maturity, it would be fair to assume an improvement from the April 1st condition.

Some additional moisture occurred in the Southwest overnight with light to moderate snowfall over the western portions of Kansas and Nebraska and light showers in central and eastern Kansas. While the temperature has fallen to below normal the prediction indicates some light snow west portions of Kansas and Texas, and light showers in the east portions tonight and Wednesday, clearing in the eastern portions Wednesday. The five-day forecast does not indicate too much moisture with below normal temperatures. However, it indicates precipitation of 1/2 inch Oklahoma and southern Missouri with 1/10th inch of rainfor Nebraska and Kansas, and showers on Thursday or Friday in most of Oklahoma. For southern Texas, also below normal temperatures are indicated with precipitation light to moderate except over the ElPaso and Big Bend country.

The USDA publication called "The Agricultural Outlook Digest" states that in January and February when prices were enough above the loan to cover storage charges a large quantity of wheat was redeemed by growers. As a result the amount of non-government wheat in the carryover next July 1st will be the largest since 1944. In this connection, we mentioned that it was 59 million bu last year, 159 million bu in 1948, and 200 million bu in 1944.

The Peavey Elevators Crop Report for spring wheat states that wheat seeding has started in a very few favorite localities. For the most part field surfaces are wet with ample moisture to start the crop once it can be planted. Subsoil moisture is considered fairly good over most of the territory but short in some districts in South Dakota. They further comment that present indications are for a modest increase in total acreage with a rather significant increase in hard spring wheat and a rather sharp decrease in durums.

Primary receipts today totaled 1,329,000 bu (with Sioux City missing) vs 1,022,000 bu last week and 910,000 bu on the comparable day of last year. So far this week Kansas City and Minneapolis stocks show a net increase of 118,000 bu.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 11, 1951.

The government report given to the trade yesterday afternoon, indicated, as of April 1st, a prospective yield of approximately 726 million bu winter wheat. While about in line with what our thoughts have been on the subject, it seems to be somewhat of a compromise between the most pessimistic and the more optimistic. In trying to make forecasts it is always advisable to lock at the normal rather than the subnormal, or conversely, the abnormal. Since the government figures were compiled, as of April 1st, we have had two periods of rains in the southwest areas, and opinions again differ as to the benefits derived from these rains, but wheat is recognized as an extremely hardy plant. We have seen many times in the past a field that looks dead revives under proper conditions and gives a substantial yield. The percentage of acreage abandoned was given as 23.4, which would leave approximately 43 million acres for harvest. Normal experience has been that a very optimistic condition usually declines somewhat, while on the other hand a pessimistic condition very often improves. Proper weather at harvest can add 1 to 2 bu to the yield, and even if there should be no recovery in the suggested abandonment 2 to 3 bu more per acre could amount to a substantial quantity on the present estimates of standing acreage. However, we feel that the market will be very susceptible to crop scares. They have barely started to plant spring wheat, and the vicissitudes of weather are still ahead of us, but the outturn of all wheat under favorable conditions could still be a billion bushels.

The report yesterday also gave grain stocks on farms as of April 1st, but we prefer to refrain from much comment on this item until we have more complete information as to stocks in other positions. It does not look from a cursory study that the feeding of corn has kept up with the increase in animal population, evidently indicating substitutions of other feeds.

Broomhall's Foreign Crop Summary continues to stress the persistent wet weather which is causing complaints about winter grains and delays in spring planting, which is now quite backward in many areas. Seeding is retarded in the U. K., with winter wheat complaints more numerous. In France, excessive moisture is causing loss of color to winter wheat and spring planting is also backward. Better word is received from Spain, where it is anticipated that crops will exceed the average of last year. Also, there are good prospects in Iraq for barley and wheat. Italian weather has been warm but some deterioration of winter grains has taken place owing to excessive wetness. Australia reports that dryness in Victoria and southern New South Wales has delayed plowing but ample time still remains to accomplish the work, and otherwise conditions appear satisfactory.

In this country the Minnesota weekly crop bulletin states there has been no field work so far this year. Soil is well saturated with moisture from melting snow and recent rains. It is doubtful whether spring work will be general for the next ten days. The Illinois bulletin indicates that farmers made a little progress with field work through the middle of last week but were interrupted by showers toward the end of that period. Only about 5% of the oats has been seeded so far, which compares with 19% a year ago when seeding also got off to a late start. The Missouri bulletin also reflects a retarded oat seeding with only 30% completed compared with 70% a year ago. Condition of fall-seeded grains is somewhat better than a year ago: namely, 78% vs. 71%. Early seeded wheat is in good condition, although the season is too backward to accurately determine what late seeded wheat will do.

Primary receipts of wheat today totaled 972,000 bu vs 1,195,000 bu last week, and 352,000 bu last year. So far this week Kansas City and Minneapolis stocks show a net increase of 104,000 bu.

The past 24 hours showers have been quite general over portions of the grain belt, being fairly good over the Southwest, except for Texas and Oklahoma Panhandles. Unsettled weather has prevailed over the corn belt, and will continue tonight and Thursday.

No new export sales of wheat were reported, and we do not look for much of a pick-up from that source until at least the latter part of May, as present commitments are pretty well taking the capacity of ports. There was a slight improvement in the flour business overnight. However, bookings are small, and resistance, according to the Southwestern Miller, seems to be almost as pronounced as previously.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

[illegible] W. JACKSON & CO.

[illegible]

CHICAGO, April 1, 1931.

[illegible] April 1st, a prospective yield of approximately [illegible] million bu winter wheat.

[illegible]

[illegible]ic. In trying to make forecasts it is always advisable to look at the [illegible] rather than the substantial, or conversely, the abnormal. Since the government [illegible]gures were compiled, as of April 1st, we have had two periods of [illegible] in the [illegible]hwest areas, and only [illegible] to the breaks during [illegible]ing, but wheat is recognized as an extremely hardy plant. We have [illegible]ers in the past a field that looks dead revives under proper conditions [illegible] substantial yield. The percentage of acres abandoned was given as [illegible]ich would leave approximately 42 million acres for harvest. Nothing [illegible] been that a very pessimistic condition usually declines somewhat, [illegible]her hand a pessimistic condition very often improves. Proper weather [illegible]t can add 1 to 2 bu to the yield and even if there should be no recov[illegible] suggested abandonment 2 to 3 bu more yet acre could amount to a substantial [illegible] quantity on the present acreage of standing acreage. However, we feel that [illegible] market will be very [illegible] to [illegible] acreage. There [illegible] only [illegible] to [illegible] spring wheat, and the vicissitudes of weather are still ahead of us, but the outturn of all wheat under favorable conditions could still be a billion [illegible].

[illegible]

We prefer to refrain from much comment on this item until we have a more complete information as to stocks in other positions. It does not look from a cursory study that the feeding of corn has kept up with the increase in supplies [illegible] evidently indicating substitutions or other feeds.

In contrast's foreign crop summary continues to stress the [illegible] of wet weather which is causing considerable short water problems and delays in [illegible] planting, which is now quite backward in many areas. Flooding is reported in U. K., with winter wheat conditions more numerous.

[illegible] is quoting loan of color to winter wheat and seeing direction in the [illegible] ward. Better word is received from Spain, where it is anticipated that crops will exceed the average of last year. Also, there are good reports in Iraq for barley and wheat. Italian weather has been warmer, some deterioration of winter [illegible] has taken place owing to excessive wetness. Australia reports that [illegible] to Victoria and southern New South Wales has delayed plowing but ample time still remains to accomplish the work, and otherwise good [illegible] prospects.

In this country the [illegible] crop bulletin states there has been no field work so far this year. Soil is well saturated with moisture from [illegible] snow and recent rains. If a dry, fair weather spring, work will be pushed [illegible] next ten days. The Illinois bulletin indicates that farmers [illegible] with field work during the middle of last week but were interrupted by [illegible]

[illegible]

which compares with 1930 a year ago when seeding was not off to a [illegible] start. The missouri bulletin also reflects a retarded outlook, reading with only 30% compared with 70% a year ago. Condition of fall-seeded grains is somewhat better than a year ago, namely, 74%. Early seeded wheat is in good condition, although the season is too backward to accurately determine what late seeded wheat will do.

Primary receipts of wheat today totaled 372,000 bu vs 1,[illegible] last [illegible], and 334,000 bu last year. So far this week Kansas City and [illegible] show a net increase of 1[illegible],000 bu.

The past 24 hours showers have been quite general over portions of the grain belt, being fairly good over the Southwest, except for Texas and [illegible] Pandhandles. Unsettled weather has prevailed over the corn belt, and will continue tonight and Thursday.

No new export sales of wheat were reported, and we do not look for much [illegible]

[illegible]

[illegible]ments are pretty well taking the capacity of parts. There was a [illegible] in the flour business overnight. However, bookings are small, and [illegible]rading to the Southwestern Miller, seems to be almost a pro[illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 12, 1951.

The Bureau of Agricultural Economics of the U.S.D.A. in a recent release, sets forth some rather interesting statistics on the price spreads between armers' and consumers' food prices. They use as their original base period the rears 1935-39 and the annual average quantities purchased per family is based on three consumers. In the market basket is included meat and dairy products, poultry and eggs, bakery and other cereal products, as well as all fruits and vegetables. In the base period of 1935-39, the average expenditure per family for its market basket was $341.19 per annum. In January 1950 this had increased to $615.11, while in January 1951 it stood at $709.18. The net farm value of the market basket stood at $134.73 in the base period, $287.31 in January 1950, and $357.22 in January 1951. Retail prices and farm prices have been more or less on an increase from the base period. The cost of distribution has undoubtedly increaseddue to high wages, etc., but the farmer's percentage of retail prices stimulated by farm support programs has increased from 39% in the base period to 50% in January 1951.

An Associated Press dispatch from a morning paper in Goodland, Kansas, states that a wheat crop has to be killed at least nine times before it gets in the bin to be worth anything. At least that was the reaction of the Sherman County farmers after reading that a private reporter had estimated that 80% of the winter wheat crop in northwest Kansas would not make a commercial crop. All agree that some damage has been done, but many feel that it is much too early to make any final predictions. There is a full realization that some damage was done by greenbugs and cut worms, and also winter kill. The consensus of most wheat farmers in Thomas County, which is one of the largest grain producing counties in thestate, also does not bear out the very pessimistic report of a few days ago, and the wheat growers interviewed feel the same --that it will take two or three weeks of warmer weather before they can tell with any degree of accuracy how much wheat actually is killed. Temperatures are still below normal and growth is being retarded.

Broomhall estimates exports of wheat and flour for the past week from the United States as slightly over 9 million bu, bringing the total since July 1st to 217 million bu compared with 237 1/2 million bu a year ago. The rate of exports last week was very heavy. From the start of the world crop-year, August 1st, all countries have put afloat a total of 502 million bu, or about 6 million more than during the comparable period of last year. However, Broomhall also comments that foreign interest in American grains without any subsidy is very small. The United Kingdom has no dollars available for cattle feed, and is taking European barley instead. They also have made purchases recently of Brazilian corn.

Primary receipts of wheat total 1,789,000 bu vs 1,736,000 bu a week ago and 649,000 bu last year. So far this week Minneapolis and Kansas City stocks show a net increase of 107,000 bu.

There was very little moisture in the Southwest, light snow has occurred over the northwestern states, and a few light showers over central and eastern Kansas and Nebraska. However, there was heavy rain mixed with snow over the corn belt area, and additional rains are expected today or tomorrow. Of course, this is all retarding field work.

Flour sales have picked up slightly, and a somewhat broader interest prevails according to The Southwestern Miller. The northwest mills have also enjoyed some increased volume.

The official exports of soybeans for February were 1,842,000 bu which brings the total since October 1st to 15 million bu as compared with 6 1/2 million bu last year. Exports of crude and refined oils from October 1st through February are about 123 million pounds vs 160 million pounds a year ago.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

[illegible]

[illegible] April 12, 1951.

[illegible] with some rather interesting statistics on the price spreads between [illegible]

[illegible] consumers. In the market basket is included meat and dairy products, [illegible] and eggs, bakery and other cereal products, as well as all fruits and vege- [illegible] In the base period of 1935-39, the average expenditure per family for its [illegible] while in January 1951 it stood at $709.46. The net farm value of the [illegible] in January 1951. Retail prices and farm prices have been more or less [illegible] in January 1951. Retail prices and farm prices have been more or less [illegible] to high wages, etc., but the farmer's percentage of retail prices stimu- [illegible] by farm support programs has increased from 39% in the base period to 50% [illegible] January 1951.

An Associated Press dispatch from a morning paper in Goodland, Kansas, [illegible] that a wheat [illegible] of the Sherman County [illegible] reading that a private reporter had estimated that 80% of the winter wheat [illegible] in northwest Kansas would not make a commercial crop. All agree that some [illegible] has been done, but many feel that it is much too early to make any final [illegible] Therefore is a full realization that some damage was done by greenbugs [illegible] worms, and also winter kill. The consensus of most wheat farmers in [illegible] County, which is one [illegible] of a few days ago, and the wheat [illegible] interviewed feel the same --that it will take two or three weeks of warmer [illegible] with any degree of accuracy how much wheat actually [illegible] Temperatures are still below normal and growth is being retarded.

Broomhall estimates exports of wheat and flour for the past week from [illegible] United States as slightly over 7 million bu, bringing the total since July 1st to [illegible] million bu compared with 237 1/2 million bu a year ago. The rate of exports [illegible] From the start of the world crop year, August 1st, all [illegible] ion bu, or about 6 million more than [illegible] However, Broomhall also comments [illegible] and is taking Europe [illegible] They also have made purchases recently of Brazilian corn.

[illegible] receipts of wheat total 1,789,000 bu vs 1,736,000 bu a week [illegible] 000 bu last year. So far this week Minneapolis and Kansas City stocks [illegible] a net increase of 107,000 bu.

There was very little moisture in the Southwest, light snow has occurred [illegible] the northwestern states, and a few light showers over cen- [illegible] eastern Kansas and N braska. However, there was heavy rain mixed [illegible] over the corn belt area, and additional rains are expected today or to- [illegible] Of course, this is all retarding field work.

Flour sales have picked up slightly, and a somewhat broader interest [illegible] The northwest mills have also [illegible] some increased volume.

The official exports of soybeans for February were 1,842,000 bu which [illegible] the total since October 1st to 15 million bu as compared with 6 1/2 million [illegible] year. Exports of crude and refined oils from October 1st through February [illegible] 123 million pounds vs 150 million pounds a year ago.

[illegible] GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 13, 1951

The Bureau of Agricultural Economics of the Department of Agriculture points out that civilian supplies of most commodities, including food, are at a high level, and that agricultural production for sale and for consumption in the farm home in 1951 will probably exceed the previous record established in 1949, provided, of course, weather conditions are average or better. While the acreage of crops grown in 1951 may be slightly less than in 1949, the output of livestock and livestock products is expected to increase further this year. Farmers' cash receipts from marketings in March are estimated at $2.1 billion, which is 13% above the previous month and about 26% more than the same period last year. Again it is pointed out that the increase from February was due mostly to larger receipts from livestock and products. The crop receipts in March amounted to around $600 million, almost the same as the previous month but 13% above March of 1950. In the first three months of the year farmers received $2.1 billion for crops and a total of $6.4 billion from marketings of all products. This is 16% higher than in the corresponding period of 1950.

The same publication points out that farmers' plans, as of March 1st, have indicated they intend to plant smaller acreages of soybeans, flaxseed, and peanuts than the year earlier. Based on the 1945-49 average yields, the prospective acreage of flaxseed would produce about 36 million compared with 39 million the previous year. Soybeans would total 233 million bu, provided the same proportion of the total acreage of beans is harvested as beans as in the past several years, and this would compare with a record last year of 287 million bu. Peanuts, which enter into the oil situation, would probably produce 1.7million lbs compared with 2 million lbs a year ago. It is anticipated that the cotton acreage will be much larger, and lard should continue to increase in proportion to the increase in livestock population.

The intentions, as of March 1st, showed a decrease of about 4% over the previous year on farmers planting of feed-grain acreage. While this would be nearly 1/5 larger than the period prior to World War II, it is somewhat under the estimated feed requirements of about 132 million tons. The carryover may be somewhat smaller than last year; so it might result in a total supply of feed grains for the coming crop-year of about 8% below the large supplies of the last two years.

Legislation is still pending before Congress designed to send a million tons of grain to India as soon as possible. Despite reductions in winter wheat crop, officials in the Department of Agriculture favor the plan and give figures to support their views. The government report as of April 1st forecast a total wheat crop somewhat over a billion bushels, and a carryover on July 1, 1951 of 420 million bu, and feel that these estimates give evidence of the ability of the U.S. to see through the deal with India. A transaction of this nature might somewhat reduce our carryover at end of the crop year in July 1, 1952, but would still leave it at a safe basis. There is some likelihood that the Brazilian government may issue import licenses for as much as 800,000 long tons of U.S. flour, but according to The Southwestern Miller cable and tele phone inquiries by mills thus far have failed to develop any enthusiasm over the possibility of business in such volume. In some quarters it is doubted that dollar credits would be made available, and that any contemplated commitments would have to be on sight draft terms, to which few, if any mills, would agree.

While weather in the winter wheat territory was mostly clear below normal temperatures seemed to prevail, and the five-day forecast indicates 10 to 15 degrees below normal for Kansas, Missouri, Nebraska, and Oklahoma, with about 1/4 inch rain or snow Saturday or Sunday in west sections to about 1 inch in Missouri and extreme eastern sections of Kansas and Nebraska. There is no moisture predicted in this forecast for west Texas, with low temperatures prevailing. The five-day forecast for Indiana and Illinois indicates about an inch of rain and about 1/2 inch in Minnesota, Wisconsin, and Iowa.

Primary receipts today were 1,547,000 bu vs 1,492,000 bu last week and 686,000 bu on the comparable day of last year. So far Kansas City and Minneapolis wheat stocks show a net increase of 80,000 bu. When the visible is posted on Monday, it will compare with a decrease last year of 16,000 bu.

There has been a slight pick-up in inquiries for flour. However, sales are still at a slack rate.

There was very little feature to the market today. Basis for cash corn was easier.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.
CHICAGO, 4

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

April 16, 1951

Temperatures still remain abnormally low throughout much of the winter wheat belt, as well as in the central areas, and the growing season is being further retarded. The USDA in commenting on their April 1st report states that conditions in Oklahoma were the lowest in thirty-three years, with the exception of 1933 and 1940. Many adverse factors have caused the low condition and heavy abandonment of acreage, as is also the case in other states in the Southern Plains. Dry weather last fall and winter, the large population of greenbugs, which have been active since last fall and are still a menace, and an unusual infestation of Army cutworms through the wheat belt, together with the exposure of the wheat plant to abnormally low temperatures during the winter, are factors causing the deterioration of the crop. However they commented that the greenbugs could still be brought under control in the north central area of Oklahoma. The same reasons have caused a heavy toll of the Texas wheat acreage. In contrast to the usual situation much of the estimated abandonment of April 1st reflects dead plants without any hope of recovery.

THE FEED SITUATION, released by the USDA, comments that indications to plant point to a moderately smaller supply of feed grains for the coming season as compared to the big supplies of the last two years. This despite the fact that feed requirements are increasing and the demand is expected to continue strong. Should farmers carry out the March 1st intentions, and if yields by states should be about the same as the 1945-49 average, total production of feed grains would be approximately 118 million tons, or 6% smaller than in 1950. While this would be nearly one-fifth larger than the period prior to World War II, it would fall short of current requirements estimated at 132 million tons for 1950-51, and would mean a further reduction in carryover stocks of feed grains, which are expected to total around 24 million tons at end of the season. These early indications point to nearly 10% less feed concentrates per animal unit for the 1951-52 season than the year previous. In calculating corn yields, the Department figures 35.6 bu per acre compared with 37.1 in 1950, and 42.4 in the record year of 1948. In that year 75.5% was planted with hybrid seed, and last year this was up to 77.3% as compared with the five-year average of 71.6%. The use of fertilizers in the corn belt states is up about 20% from the five-year average. The grain consuming animal units to be fed during the twelve months starting in October is expected to be 177 million against 174 million last year. The Department's present estimate of carryover of corn next October is 550 million bu vs. 600 million the previous year. In soybeans they project a crop of 233 million compared with 287 million bu this season but by-product feeds will probably continue near the high level of 20 to 21 million tons in recent years, and the hay acreage is thought to be about the same as the present year.

In Broomhall's recent release, he comments that the weather has turned wintry in Canada as well as the American Northwest but that can be only temporary. It was dry in Canada the previous week, with precipitation well below normal in all three provinces, and ample moisture is in the ground as the snows melted slowly this year. The same authority reports that both India and Japan will require a great deal of food grains. While Japan has not yet been admitted to IWA India will probably get 55 million bu wheat again in the coming crop-year at the reduced price. Of this amount it is estimated that the U. S. will supply 50%, Australia 30%, and Canada 20%, if the same pattern is followed as was the case this season. In addition to this the Congress of the U. S. is now contemplating a bill to get India about 37 million bu additional. However, this may be contingent upon the fact that India in turn will have to agree to ship commodities needed in the U. S.

Primary receipts of wheat today totaled 2,742,000 bu versus 2,915,000 bu last week and 750,000 bu last year. When the visible supply was posted wheat showed a decrease of 2,182,000 bu bringing the total now to 166,881,000 bu, or 6,893,000 bu more than a year ago. Chicago stocks of wheat decreased 578,000 bu leaving a balance of 5,511,000 bu in this market. Corn stocks here decreased 1,157,000 bu leaving a balance of 13,929,000 bu. Rye decreased 793,000 bu and there remains 2,726,000 bu in regular stocks and 269,000 bu in bond.

Markets were stronger today due in part to lack of growing weather in the Southwest. Receipts of wheat in Kansas City were rather heavy for this time of the year, although not too much appeared on the cash tables. Flour business is starting out slowly for the week, with buyers apparently resisting the market, and delaying purchasing as long as possible. In Chicago there area fair amount of corn receipts coming from western origins.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

CHICAGO, [illegible] April [illegible], 1952

Temperatures still remain abnormally low throughout much of the winter wheat belt, as well as in the central areas, and the growing season is being delayed. The USDA, in commenting on their April 1st report, states that [illegible] and Oklahoma were the lowest in thirty-three years, with the average [illegible]. Many adverse factors have caused the low condition and heavy abandonment of acreage, as is also the case in other states in the Southern Plains. Dry weather last fall and winter, the large population of greenbugs, which have been active since last fall and are still a menace, and an unusual infestation of [illegible] throughout the wheat belt, together with the early stage of the wheat plant to abnormally low temperatures during the winter, [illegible] the deterioration of the crop. Reports commented that the greenbugs could still be brought under control in the [illegible] areas of Oklahoma. The same reasons have caused a heavy loss of [illegible] acreage. In contrast to the usual situation much of the estimated [illegible] April 1st reflects dead plants without any hope of recovery.

THE FEED SITUATION, released by the USDA, comments that indications to plant point to a moderately smaller supply of feed grains for the coming season compared to the big supplies of the last two years. This despite the fact that feed requirements are increasing and the demand is expected to continue strong. Should farmers carry out the March 1st intentions and if yields by states are [illegible] the same as the 1945-49 average, total production of feed grains would be approximately 118 million tons, or 6% smaller than in 1950. While this would be nearly one-fifth larger than the period prior to World War II, it would fall short of [illegible] [illegible] would [illegible] reduction in carryover stocks of feed grains, which are expected to total [illegible] million tons at end of the season. The [illegible] indicators point to nearly [illegible] less feed concentrates per animal unit for the 1951-52 season than the year previous. In calculating corn yields, the Department figures 35.6 bu per acre compared with 37.1 in 1951, and 42.4 in the record year of 1948. In that year 75.0% was planted with hybrid seed, and last year this was up to 77.3% as compared with the [illegible] average of 71.6%. The use of fertilizers in the corn belt states is up about [illegible]

[illegible] months starting in October is expected to be 177 million against [illegible] million [illegible] Department's present estimate of carryover of corn next October is 575 million [illegible] vs. 650 million the previous year. By-products they project a crop of 292 million [illegible] compared with 287 million bu this season but by-product feeds will probably [illegible] the high level of 20 to 21 million tons in recent years, and the [illegible] thought to be about the same as the present year.

In Broomhall's recent release, he comments that the weather has [illegible] in Canada as well as the American winter wheat but that can be only temporary. [illegible] in Canada the previous week, with precipitation well below normal in [illegible] provinces, and ample moisture is in the ground as the snow melted slowly [illegible] year. The same authority reports that both India and Japan will [illegible] [illegible] grains. While Japan has not yet been allotted to [illegible] India 5 million bu wheat again in the coming crop-year at the reduced price. Of this is estimated that the U. S. will supply 50%, Australia [illegible]%, and C[illegible] same pattern is followed as was the case this season. In addition to this [illegible] of the U. S. is now contemplating a bill to get India about 3[illegible] [illegible] However, this may be contingent upon the fact that India in turn will [illegible] [illegible] commodities needed in the U. S.

Primary receipts of wheat today totaled 2,742,000 bu versus 2,[illegible] [illegible] 753,000 bu last year. When the visible supply was posted [illegible] decrease of 2,182,000 bu bringing the total now to [illegible] [illegible] than a year ago. Chicago stocks of wheat decreased [illegible] [illegible] 1,050 bu in this market. Corn stocks here decreased [illegible] [illegible] of 13,[illegible],000 bu. Rye decreased 7[illegible],000 bu and there [illegible] [illegible] bu in regular stocks and [illegible]

Markets were stronger today due in part to lack of pressing [illegible] [illegible] in [illegible] rather heavy [illegible] [illegible] much [illegible] [illegible] business [illegible] [illegible] [illegible] the market, and [illegible] [illegible] a fair amount of corn [illegible] [illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 17, 1951

The Federal Reserve Bank of Chicago, in their Agricultural Letter, states that price pressures may moderate for the next few months, but civilian supplies of some commodities, especially durables, are expected to be reduced over the longer run, while incomes are expected to increase. Thus inflationary pressures are expected to strengthen again later this year. As one economist points out, there are really two laws governing inflation: One is the Political Law, which it is expedient to continue, as the cure is rather painful, with interruptions being costly at election time. The other is the Economic Law with the increase of currency and credit out of proportion to the growth of the volume of marketable consumers' goods, which in turn unleash the price-wage spiral. Inflation over stimulates the buying and hoarding of inventories, and with military preparations it directs certain of the productive facilities into unproductive channels and reduces the supply of consumer goods. Even the expansion of productive facilities does not restore equilibrium and finally leads to overproduction, which at least gives us temporary setbacks. This is all particularly true when wages are not stabilized and the flow of money not reduced.

According to a dispatch in the Wall Street Journal, Great Britain is again facing more austere conditions due to the worst winter and spring weather on record, indicating some further setback in home food production. The London area records rain in 98 out of 101 days, and the same condition has prevailed over most of the country. Wheat planting may possibly fall 30% short of the goal, while production of potatoes, sugar beets, cabbage, and broccoli will also decline. In a few counties it is anticipated that the wheat acreage may be the lowest since the war, and possibly the lowest on record. This points to a probable larger importation of wheat for the coming crop-year.

Weather in our Southwest has moderated to some extent, although temperatures still range a little below normal. The five-day forecast suggests slightly below normal temperatures in Nebraska, northern sections of Kansas, and Missouri, while the remaining part of the districts of Kansas, Oklahoma and Missouri will be somewhat above normal. Precipitation will vary from small amounts in Nebraska, western Kansas, and Oklahoma to near 1/2 inch in Missouri, eastern sections of Kansas and Oklahoma. For west Texas slightly below normal temperatures are forecast and little or no precipitation indicated. Dr. R. H. Painter, Entomologist of Kansas State College, stated after returning from an inspection of crop conditions that the next two weeks would be critical for wheat in central and northern Kansas due to infestation of army cut worms and possible further attack unless weather should be favorable.

In checking up with our Illinois offices on the condition of field work, the reports are somewhat mixed. Jacksonville states that oat ground not seeded will be used for beans and there will be very little more seeding of oats in that area, while Lincoln and Springfield reported that weather has been more favorable, farmers expect to get in the fields within the next day or two, and if so regular acreages will be seeded. This is also true at Hoopeston, while Bloomington reports no farm work is possible as water is standing in many fields but they do not hear as yet of any acreage intention changes.

The USDA has announced that permits will be issued for the equivalent of about 74 million bu wheat, coarse grains, and soybeans to be exported in May. This is a very heavy commitment for our ports, but it covers sales either made by exporters or committed by CCC. The program includes 45 million bu wheat, 22 million bu coarse grains, and 5.3 million bu soybeans. Permits issued for the March-April period total 126 million bu of all grains.

Primary receipts of wheat today totaled 1,567,000 bu vs 1,329,000 bu a week ago and 674,000 bu on the comparable day of last year. Kansas City and Minneapolis stocks show a net increase of 205,000 bu.

There were reports of a sale of flour to Brazil, but so far this has not been confirmed. Meanwhile, new flour business is extremely light although there has been a better demand in the Southwest for cash wheat. The U.K. has cabled for offers of wheat and corn. Holland also inquiring for wheat.

Market trends are very undecisive at the moment.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 18, 1951

In his most recent publication, Broomhall points out the change that has taken place in the general world supply position of wheat during the past seven months. At the beginning of the present crop-year it appeared that we were passing the era of very high wheat prices, and that possibly world production had at length overtaken demand. Crops were either being or about to be harvested in the North American areas where large supplies were in prospect. European crops in general were good and effort was being made to expand the acreage in Argentina. The season was started with heavy reserve stocks in the U.S. and adequate stocks in Canada and Australia, while the food situation in India looked like that nation might be also on a more self-sustaining basis. The first adverse news was the extensive damage to the Canadian wheat crop, reducing the outturn of good milling grains in the Prairie Provinces by about 50%. Free wheat prices of No. 1 Northern Manitoba at the beginning of the crop-year stood at $2.06 a bu in Canada and declined to about $1.95 3/4 in October with lower grades showing larger declines. The final shortage of high-grade wheat in Canada led to larger purchases in the U.S., Australia, and Argentina, and the outbreak of hostilities in Korea was another impetus to the market price. No.1 Northern Manitoba for sale outside IWA countries has advanced about 20¢ above the lowest point, and wheat futures in Chicago have risen considerably from their low point. There has been stockpiling of grains due to international conditions and an unexpectedly large far eastern need for current consumption. Fortunately at the end of this crop-year reserve stocks in exporters' hands will be large but there apparently is a need for increased wheat acreages in all four exporting countries.

This all brings more to the fore than ever the impossibility of planning. Weather still remains the dominant factor in raising crops, and more than ever points out the great fallacy of attempting to control acreages and supplies ahead of time. In the U.S. restrictions have been taken off spring planting but were still invoked at the time winter wheat went into the ground. Price policies in the Argentine have not been conducive to an increased acreage. Much will now depend on the final outturn of the 1951-52 world crops.

In studying the state crop reports which were issued today, there is nothing of any startling nature, and they follow along the pattern expected by most of those who watch weather and other crop news. For example, the Kansas Weekly report states that the wheat crop made generally good growth in central and eastern counties but only fair to poor growth over most of the western third of the state, as temperatures continue unseasonally cool. Some greening-up has occurred in the Northwest sections following the rainfall of last week. The wheat crop remains very spotty in the western third of the State, with heavy abandonment showing up in most of the area. Damage is still being reported from cut worms in western and central counties and some soil blowing in limited areas. The Oklahoma report states that growth and improvement of wheat and other grains was slow due to the cool weather. Greenbugs have continued to increase and to damage wheat and oats, as cool weather has delayed the development of the greenbugs' natural enemies. The Missouri report points out that the proportion of field work done for spring crops was the lowest in three years with only 26% completed against 50% a year ago. In Illinois wet weather continued to hold back progress of field work. While a substantial percentage of oats acreage has been planted in widely scattered communities, the state as a whole had less than 10% of the job completed, which is the smallest fraction for this state in more than ten years.

From the Northwest we hear that weather has been too cold for very much field work, although on the whole soil conditions are good and undoubtedly under proper conditions seeding can progress rapidly from this point.

Primary receipts of wheat total 1,234,000 bu versus 972,000 bu a week ago and 471,000 bu on the comparable day of last year. So far this week Kansas City and Minneapolis stocks show a net increase of 210,000 bu.

New flour business still remains quite slack but with the rise in mill feeds flour sales are becoming more in line with buyers' ideas and may lead to some additional business in the near future. There was some wheat export business to the U. K. reported overnight as well as some corn.

The official forecast indicates occasional showers late tonight or Thursday for Texas and Oklahoma, likewise for Kansas with mixed light snow in the northwest portion Thursday. Temperatures have somewhat moderated but will again drop somewhat by Thursday. Otherwise markets are quite barren of news other than some

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

peace rumors from Korea, which were later denied by the State Department.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4

April 19, 1951

According to Broomhall's figures, the U. S. exported 9,403,000 bu wheat for the week ending April 24th. Since the start of our crop-year on July 1, 1950, total exports have amounted to 226,518,000 bu, or about 15 million less than the previous year, although the total for all exporting countries from the start of the world crop-year, August 1st, has amounted to 520 million bu vs. approximately 507 million bu for the preceding year. With discussions going on in Congress at the moment as to the advisability of shipping feed grains to India, it may be interesting to note that country has practically purchased her full allocation of 55 million bu under the IWA, of which the U.S. has furnished approximately 28 million bu. It may be possible that she may also receive part of the allocations originally made to Italy, which country has purchased about 29 million bu, of a 40 million bu total. From the period January 1st to April 12th, India has been the second largest importer of Argentine wheat, the latter country not being under the IWA. Of total exports from the Argentine since January 1st of 34 million bu, India has taken approximately 8 million, and Brazil slightly over 9 million. Both India and Japan's requirements of food grains will be heavy for the coming crop-year. Japan has not as yet been admitted to IWA but India's allocations will probably be the same as in 1951, 55 million bu, of which the U.S. is likely to furnish 50%, Australia 30%, and Canada 20%, plus anything additional that this country will ship if Congress votes in favor of the present bill which is now pending.

Broomhall's Foreign Crop Summary of the 17th about bears out his reports of the past week or so, with many European countries stressing the unfavorable weather and soil conditions for the planting of spring crops, and that acreage in a number of instances is expected to fall short of earlier expectations. Winter wheat prospects are also less favorable than a year ago, with acreage reduced. The U.K. has been suffering from low temperatures and prolonged rains, with floods in some important producing areas. The winter wheat has a patchy appearance with growth backwards and a long dry spell is now needed. France has also suffered from cool weather and excessive moisture. While the wheat acreage is somewhat smaller it is anticipated that larger plantings of coarse grains may take place. Rain and cold weather has also prevailed in Belgium and Germany, while Italy has had excessive moisture delaying spring work. On the other hand North Africa has been suffering more from lack of rainfall, although in some areas late rains have been of benefit. In Australia it is still early to come to any conclusions but the soil is extremely dry in several areas.

The BAE report the number of cattle on feed April 1st in the States of Illinois, Iowa, and Nebraska were 2% greater than last year with a total of 1,764,000 head of cattle on feed. The Chicago corn-hog ratio for the week ending April 14th was 11.6 compared with 11.8 the previous week and 11.2 the comparable week of last year.

Primary receipts of wheat today totaled 2,223,000 bu vs 1,789,000 bu last week, and 648,000 bu last year. So far this week Minneapolis and Kansas City stocks show a net increase of 279,000 bu.

There was some export business consummated overnight; it is reported that two cargoes of hard wheat were sold out of the Gulf for the last half of May, also some #1 northern spring wheat at Baltimore, and 4 or 5 cargoes of #5 Manitobas. It was also reported during the session that Spain bought a cargo of red winter wheat. There was evidence of some hedge lifting in the early part of the session, but as a whole the market is showing no decided trend, and advances were not maintained. The trade seems to be awaiting further developments. According to The Southwesterr Miller only moderate-sized orders are being placed for flour in replacement of exhausted contracts, probably representing current sales. While inquiries are in the market there seems to be a lack of enthusiasm, and mills are not pushing activities for new business.

Field work in Illinois has picked up to some extent, particularly on the high ground and in some of the sandier areas. As to what will be accomplished by the end of the week will depend on weather. Meanwhile, a cargo of Canadian oats is headed to Chicago, with the expectation that more will follow, probably over 2 million bu. Country shipments of corn are light, but so is the demand. The cash basis remains about unchanged.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 20, 1951

While we have not as yet reached the end of the world crop-year, the U.S. has fulfilled its second year's obligation under the International Wheat Agreement, and it may be timely to examine these operations. Before the Pact was ever signed, we always maintained that ultimately there would be no benefit to this country, and in the long run it would represent a financial loss. Arguments were given that there would be world surpluses, a race among exporting countries to sell their production, and without such a Pact lower prices would probably prevail. In looking backward, and even forecasting for next year, the opposite is the case. We have always felt that you cannot plan production too far ahead of time, that a free market is the best balance-wheel between supply and demand. There are too many factors to be controlled, the dominant one being the weather, which no one can forecast. These factors are continually fluctuating, and it is impossible for any government or any individual to guess in advance how these factors will increase or damage crops.

A year ago the thinking was of world surpluses and a decline in the price structure. Quite the opposite has taken place. We have fulfilled our obligation under IWA, amounting to approximately 248 million bu wheat. The subsidy granted against allocations has been a fluctuating one. We do not have any accurate figures but we may not be too far out of line in stating that the average subsidy was 60¢ a bu, which on the total volume would cost the taxpayers of this country $150 million. In looking over the list of recipients there are very few countries, if any, which would not have had to come to this country during the season for requirements certainly as large as was shipped under the agreement. The crop in Canada turned out rather disastrously, as far as millable wheat is concerned, and the crop in the Argentine did not come up to anticipation. So during a period where importers would have had to come to this country, we on the other hand have given away a large sum of money in the form of subsidies. The present outlook in Europe has declined, and undoubtedly many nations will again have to seek our wheat until at least such time as the new crop is raised in Canada. At the present time the crop in this country is in the laps of the gods, subject to weather conditions. The contemplated grant to India is probably the proper move from a humanitarian and political standpoint, but if anything should happen, and we do not say it is going to happen, to further deteriorate the crop in this country, why should we be obligated to sell wheat at a minimum price if world conditions should dictate a higher level?

Broomhall reports that weather has improved in Great Britain, that rains have stopped, and temperatures have risen, although it is now too late to reach the spring wheat acreage goal. In this country weather has turned more favorable in the Southwest, with good rains reported in many spots in Kansas, such as Topeka, Wichita, Hutchinson, Salina, and other sections, with the forecast indicating rains over most portions of Kansas, Oklahoma, and scattered showers in western Texas. Temperatures, however, still remain low, and to-date, unsatisfactory weather has greatly retarded growth. However, the rains should be of benefit, particularly if temperatures will moderate in the near future.

Primary receipts of wheat totaled 1,755,000 bu today, versus 1,547,000 bu last week, and 598,000 bu comparable day last year. Kansas City and Minneapolis stocks so far this week show a net increase of 211,000 bu. When the wheat visible is posted on Monday it will compare with a decrease last year of 4,683,000 bu.

We have not heard of any export business in wheat except minor quantities being consummated overnight, but there was a small lot of corn worked to the United Kingdom. Markets still do not act with any decided trend, and many traders are waiting for further appraisals of growing conditions in the Southwest. Some flour business took place, but as a whole it is still very limited, although an active interest prevails on part of bakers whose contracts are running out. The tendency now seems to be to stay close to shore according to the Southwestern Miller.

On Monday trading will be initiated in March wheat, corn, oats, new rye, lard and soybeans.

Oat stocks in Chicago may be supplemented by Canadian oats, either arrived or to be headed this way. This has led to some easier feeling in the May situation.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 23, 1951

Great confusion exists in the minds of the grain trade as to the final outcome of the winter wheat crop. There probably has never been a season similar to the one we are now encountering. While rains have alleviated the dry condition, we are within the last week of April with very little growing weather due to below normal temperatures. Reports are extremely mixed between those who are more pessimistically inclined vs. those who take a more hopeful view--that a period of growing weather could revive some fields that look very poor at the moment. We even heard of one instance today where a field appeared to be entirely destroyed by cutworms, which is again showing signs of life and greening up. Proper weather at filling time can always add to the yield of whatever acreage is standing, and the only thing that one can do at the moment is to try to take a "middle of the road" attitude. It is possible the government report of May 1st may show a further reduction in winter wheat, as there is only a week left for warmer and better weather conditions to set in; therefore, very little time in which to show much improvement.

The USDA in their March-April Wheat Situation still expects approximately 22 million acres of all spring wheat, or about 18% above seeding of a year ago, which is an indicated yield of about 300 million bu based on past performance. The carryover on June 30th is expected to show very little change from that of a year ago when it totaled 423 million bu. This, of course, is not taking into consideration any large amounts that might be sold or given to India under the bill that is now pending before Congress. Final price structure will depend on our spring wheat crop as well as the Canadian crop. While we feel that we should conserve our supplies until we know the definite outcome of the 1951-52 crop, on the other hand there would be no calamity if the carryover were reduced 100 million bu except that we would not fulfill our objective of having large supplies in view of unsettled world conditions. The government estimates total disappearance in the 1950-51 season at 1,030 million bu, consisting of 720 million bu for domestic use and 310 million bu for export.

Broomhall reports that weather in the Argentine has been generally cool and wet with the maturing corn crop needing cool, dry weather. It is anticipated that production will be disappointing, about 4 million metric tons, which while more than last year is still short. There will probably be only 40 million bu actually available for export.

Farm work over the Central States proceeded more rapidly during the past week, with oats seeding making good progress. One message this morning from Lincoln, Illinois, stated that weather was clear and warm today and that the farmers should complete seeding oats within the next day or so as they are all out in the fields. Today receipts of oats in Chicago included 388,000 bu from Ft. William, which is the first arrival of an estimated 2 million bu expected to be shipped to this market from Canada. Advice from Canada states that 841,000 bu has already cleared.

With Sioux City missing primary receipts of wheat today totaled 3,461,000 bu compared with 2,742,000 bu last week, and 1,179,000 bu last year. The wheat visible showed a net decrease of 5,830,000 bu, leaving a total of 161,051,000 bu, or approximately 5,800,000 bu more than a year ago. Chicago stocks of wheat decreased 86,000 bu, leaving a balance here of 5,424,000 bu while corn showed a nominal decrease of 46,000, with 13,883,000 bu on hand in this market. Chicago stocks of oats increased 403,000 bu, to a total of about 1 1/2 million bu.

Temperatures have risen somewhat over the Southwest, with the forecast for fair and warmer today, with some showers and thunderstorms in central and western Kansas and northwest areas of Oklahoma. The apparent opening of the Red Chinese spring offensive led to some buying; otherwise there was not a great deal of news. Flour business in the Southwest is still slack, and mills are booking very little new business. We have not heard of any new business of consequence. Senator Maybank, Chairman of the Senate Banking Committee, predicted that Congress will make it illegal for the administration to freeze farm parity in any move to cut food prices.

Chicago Board of Trade has announced that trading on this Exchange will close at noon Thursday, April 26th, in observance of ceremonies in Chicago honoring General Douglas MacArthur.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

Chicago, [illegible]

Great confusion exists in the minds of [illegible]
[illegible] winter wheat crop. There [illegible] of the grain trade [illegible]
[illegible]

[illegible] time can always add to the yield of [illegible]
[illegible] that one can do at the moment is to try [illegible] middle of [illegible]
[illegible] possible the government report of May 1st [illegible]
[illegible] er wheat, as there is only a week left for [illegible] and better weather [illegible]
[illegible] therefore, very little time in which to show much improvement [illegible]

The USDA in their March-April Wheat Situation still expects [illegible]
million acres of all spring wheat, or about 13% above seeding of [illegible]
indicated yield of about 300 million bu [illegible] based on past performance [illegible]
on June 10th is expected to show very little change from [illegible]
[illegible] ed 423 million bu. This, of course, is not taking into [illegible]
[illegible] that might be sold or given to India under [illegible]
[illegible] ress. Final price structure will [illegible]
[illegible] n crop. While we feel that we should [illegible]
[illegible]
if the carryover were reduced 100 million bu except that we [illegible]
of having large supplies in view of unsettled world conditions [illegible]
[illegible] estimates total disappearance in the 1950-51 season [illegible]
[illegible] sting of 720 million bu for domestic use and [illegible]

Broomhall reports that weather in the Argentine has been [illegible]
[illegible] the maturing corn crop needing [illegible], dry weather. [illegible]
[illegible] duction will be disappointing, about 4 million metric tons [illegible]
year is still short. There will probably be only [illegible]

Farm work over the Central States proceeded more rapidly during the [illegible]
[illegible] ek, with oats seeding making good progress. One message this morning from
[illegible] ncoln, Illinois, stated that weather was clear and warm today and [illegible]
[illegible] complete seeding oats within the next day or so as they are [illegible]
[illegible] s. Today receipts of oats in Chicago included [illegible] bu fr[illegible]
[illegible] n is the first arrival of an estimated 2 million bu expected [illegible]
[illegible] market from Canada. Advice from Canada states that [illegible]
With Sioux City missing primary receipts of [illegible]
[illegible] ared with 1,742,000 bu last week, and 1,170,000 bu last year. [illegible]
[illegible] ed a net decrease of 5,330,000 bu, leaving a total of [illegible] bu, [illegible]
[illegible] ly 3,600,000 bu more than a year ago. Chicago stocks of wheat decreased approxi-
[illegible] ting a balance here of 5,424,000 bu while corn showed [illegible]
[illegible] 583,000 bu on hand in this market. Chicago stocks of oats [illegible]
[illegible] ,000 bu. to a total of about 1 1/2 million bu.

Temperatures have risen somewhat over the Southwest, with [illegible]
[illegible] nd warmer today, with some showers [illegible]
[illegible] s and northwest areas of Oklahoma. The absence of [illegible]
[illegible] ring of [illegible] led to some buying [illegible]
[illegible] Business in the Southwest is still slack, [illegible]
[illegible] have not heard of any new business of consequence [illegible]

[illegible] for the southwest [illegible]
[illegible] Chicago Board of Trade [illegible]
[illegible]

[illegible] ([illegible]) [illegible]

LAMSON [illegible] & CO.
[illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 24, 1951

The five-day forecast suggests that temperatures will average near normal to slightly above for Kansas, Missouri, northern Oklahoma, and west Texas, Some precipitation is indicated for Kansas and Oklahoma. With growing weather having been retarded crop deterioration reports continue to come in, and it remains to be seen what the recovery might be in case weather is more propitious. However, figuring that the next government report will show a further reduction in the winter wheat acreage, it becomes a question as to how much the present level anticipates possibly smaller supplies. There is no doubt that the present levels represent a certain amount of inflation. According to Administrator Michael DiSalle, there is a feeling that inflation has been at least temporarily halted, although we personally believe that sooner or later the financial policies will lead to further inflation. However, for the moment many businesses are more interested in the liquidation of inventories rather than scare-buying that took place after the outbreak of fighting in Korea. There seems to be some lessening of demand on part of the public for many items: one being automobiles, both new and second-hand, as well as many other things.

As far as supplies are concerned, using the last government figure of a carryover on July 1, 1951 of 425 million bu, and the fact that we still face the possibility of a spring wheat crop of 300 million bu even though winter wheat prospects should be cut down an additional 100 million bu, it still could leave us with a carryover on July 1, 1952, of around 300 million bu. This would provide us with a comfortable supply, if we raise a normal amount in the 1952-53 period. Should our carryover become further endangered, there are some escape clauses in IWA which could enable us to cut down the amount of wheat offered under subsidy in case it appears expedient to do so. While there are only six days left for redemptions of loans on the 1950 crop, the present price level permits of further redemptions. When we look at the price of the new-crop months, the level is higher than any probable loan. Based on the last parity figure, and using the same formula as last year, the loan should be approximately $2.48 basis Chicago. If we take into consideration that the farmer has to pay the storage charges, and using the government figure of 8¢, it would mean that he would receive only $2.40 basis Chicago, and if the wheat were in the loan for more than six months, charges would be the full year's storage, which is about 11¢. Therefore, even though the crop may be cut still further as to outturn, it would seem reasonable to believe that a larger proportion of the new wheat would seek its way into free hands than has been the case for the past number of years when the price at the start of the season was lower than the loan value. Temporarily at least early in the season these supplies could overhang the market.

The Occident Elevator, speaking for the spring wheat states, reports that there has been little to no progress made in field work or seeding in their territory the past week, any work being accomplished being limited to points along the Northern Pacific, the extreme eastern end of North Dakota, or in southeastern Montana. They point out that warmer weather is needed as the low temperatures at night prevent the topsoil from getting a chance to dry out. However, with the amount of equipment that most farmers own today, under more favorable weather conditions, they can get a large percentage of the crop in within relatively few days.

Primary receipts of wheat today totaled 2,084,000 bu compared with 1,567,000 bu last week, and 907,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 92,000 bu.

All cereals received impetus from the strength in wheat. There seemed to be some evidence of flour business having been consummated, Also some export sales of wheat were reported, United Kingdom having bought one cargo of heavy northern spring out of Baltimore, and a cargo of #2 hard out of the Gulf. Holland is reported to have purchased a cargo of spring wheat, and also Portugal a cargo of red wheat, although we have not heard from which port this is to be shipped. This, coupled with increased pressure from the Red Army in Korea, led to a more constructive attitude toward wheat.

A second steamer of Canadian oats was unloaded in Chicago, which graded #3 extra heavy white, making a total of 900,000 bu received here to-date.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 25, 1951

Price Stabilization Director DiSalle has announced manufacturers' pricing regulations, claiming that the general impact will be a rollback. While no action has been taken, as we understand it the Price Administration leans to the idea of freezing parity and not permitting it to advance over parity that existed on a certain date. On the other side of the picture, Secretary of Agriculture Brannan appeared before Congress with a vigorous plea in defense of the parity price system as it now exists. He stated that if prices of all farm commodities below parity in March should immediately rise to parity with the resultant rise translated into retail food prices consumer food costs would rise less than 5%, and this in turn would mean only approximately 1.5% rise in the over-all consumer price index. He did supplement his remarks by the statement that it was extremely unlikely that commodities accounting for this difference will rise to parity levels in the near future, and believes that parity is the fairest available measure of equitable prices for agricultural products.

As to whether inflation has been arrested or stopped is, of course, a moot question. A recent release of the New York State College of Agriculture at Cornell University points out that price controls, rationing, and subsidies are the three legs necessary to the stool of a controlled economy. They point out that all three were used in World War II and that the inevitable result was a thriving black market. They believe that if price controls and rationing are again invoked, we will again indulge in black markets. They further state that "Whenever the supply of goods, the supply of money, and the supply of ration coupons get out of adjustment black market is the inevitable result. It has been found humanly impossible to maintain such an adjustment in a controlled economy." Of course, inflation and the black market were in evidence in Europe more than in this country, particularly where cigarettes became one of the main standards for trading. In Berlin in 1946 a carton of cigarettes which could be purchased at the P.X. for 50¢ was worth $150 in the black market in U.S. currency. Five packages of cigarettes would buy an officer's uniform; one carton would obtain maid service for one month, and half a package was sufficient for laundry service for one week, while eight cartons would pay the rent for a five-room apartment for a month.

Without sufficient growing weather the development of the wheat plant in the Southwest has still been retarded. The Kansas Weekly Crop Report states that the wheat crop made only slow progress during the week in nearly all sections. Moisture situation is mostly favorable and warmer weather needed to promote growth. Greenbugs and cutworms continue to damage crops with the condition of wheat extremely variable in many fields, particularly in the western one-half of the state which was thin and badly damaged by drought, winter killing, and insects. The Oklahoma report states that sufficient moisture supplies were improved by rains, although the soil is again getting dry in western areas. Greenbugs are still damaging the wheat although their activity has been slowed by spraying and parasites in some sections. A large acreage of wheat has been abandoned with the land being prepared for cotton, sorghum etc. The wheat remaining for harvest is in fair to good condition in the central and generally poor to fair in western areas. Some wheat is heading in Tillman county. The Minnesota report points out that field work has started in a limited way in scattered sections of the state. The damp, wet conditions of the soil has prevented general field work, although favorable weather is improving prospects. Last year a considerable part of the seeding had been accomplished by the third week of April, which indicates that it is somewhat behind, this year. The Iowa report states that field work began during the week but was delayed by general rains the latter part; probably 30% of the total plowing for the 1951 crop has been completed. The Nebraska report states that wheat was damaged by both autumn and winter weather, and that the damage is state-wide, and increases in severity westward from Highway 81. They further mention that it is a little early to get definite information on abandonment as so much of the wheat with thin stands may yet come through, as roots are emerging from much of this damaged wheat.

Primary receipts of wheat today totaled 701,000 bu vs 1,234,000 bu last week, and 436,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 148,000 bu.

There was some evidence of hedging in the pit this morning; apparently the country was a little freer seller of wheat, and some warehouse receipts were redeemed, particularly in Texas where prevailing prices show 10 to 12¢ return to the farmer over and above all charges.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 26, 1951

It was reported this morning from Washington that the administration was pushing a new economic control bill to cover wages, prices, consumers' credit, and other similar items. Apparently President Truman wants further control of farm price freezes in connection with loans based on parity. The present law prohibits price ceilings below parity, as computed on the 15th of each month. Thus, potentially, as parity prices would rise, price ceilings would also advance. Under the new proposal such adjustments in price controls would be required yearly instead of monthly. It is figured, however, that the Farm Bloc will put up a strong fight on any such measure; therefore, we do not have much faith that a change will take place.

Probably more attention was paid to the statistics issued by the Department of Agriculture late yesterday. On basis of wheat reserves now in all positions, we figure domestic consumption for the first nine months of the season at about 10 million bu smaller than those a year ago, and we look for a carryover on July 1st much the same as the last: namely, 423 million bu. This is all despite the larger exports that have taken place during the past several weeks, and we find that 8 1/2 million bu was cleared again during the last seven-day period, according to Broomhall, which brings the total to 235 million bu compared with 247 a year ago. Very likely May clearances will be heavy, but this has all been taken into consideration in our computation.

As far as corn is concerned, we cannot quite reconcile the government's estimate that the carryover reserve at end of the season will be cut to 500 million bu, which would compare with 850 million bu a year ago. First of all, feeding operations, while heavy, have not been as large as one would expect with the tremendous number of animals in the country. But even using the government's statistics on domestic disappearance from April 1st to September 30, 1950, which totaled 1,114 million bu, and also taking into account exports of about 43 million bu and their carryover figure of 859 million bu last October, we account for the total April 1st stock of 2,016 million bu. If we apply the same reasoning to the present April 1st stocks of 1,879 million bu, and allow 50 million bu for export, together with the same domestic disappearance of 1,114 million bu which took place last season, we can see the possibility of a carryover reserve of 715 million bu. In this connection one should also realize that a year ago the disappearance from July to September was very large, and amounted to 540 million bu, which was nearly 100 million bu more than the year before and compared with 327 million bu two years ago. Nevertheless, we have used in our calculations the same figure in comparison with the April to June disappearance, which also is large. Altogether it looks to us as though the government had just taken a figure at random in claiming that reserves would be cut to 500 million bu. Surely exports will not be sufficiently larger to make the difference between our calculations and theirs.

In oats the domestic disappearance for nine months was 19 million bu smaller than a year ago, and all this suggests that there must have been heavy substitution of other grains, particularly sorghums and meal, but in any case one must face these realities.

The Chicago corn-hog ratio for the week ending April 21st was 11.7, a slight improvement over last week, and compared with 11.2 last year.

Primary receipts of wheat were a little over 3 million bu compared with 2.2 million bu last week and only 674,000 bu last year. Kansas City and Minneapolis stocks were almost unchanged so far this week.

Trade was rather quiet. There was no particular trend to wheat. The fact that General MacArthur was arriving in Chicago at noon caused our market to close early and a good many people were thinking of political events rather than grain conditions. However, there are still only few good reports coming from the southwestern districts but whether the price level has discounted this remains to be seen. There is a little export business but apparently not enough to take many hedges out of the pit. There was not much feature to corn although elevator interests were trying to buy May and sell July at 3¢ or better.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 27, 1951

There was no special grain news overnight. A good deal of wet weather was reported both Northwest and Southwest, with possibly some more to come. There were several districts in the Southwest visited by precipitation that had not been recently benefited; so to that extent it was very welcome. However, it would be more desirable now to have a period of sunshine in the spring wheat districts so that seeding operations could be completed. The five-day forecast suggests more rains for the corn belt, also some for Minnesota, but apparently not too much added moisture for the Dakotas, and all in all the trade viewed these conditions as slightly more favorable.

The Department of Agriculture reported that sales by all exporting countries under IWA against the 1950-51 quotas which have been recorded by the Wheat Council through April 20, 1951 now totaled slightly over 524 million bu. This leaves only 38 1/4 million bu to be sold. It is likely that shipments from the U.S. for the final months of the season will about keep up with the very big ones that we had recently. In any case a carryover of about 425 million bu is indicated for July 1st, and while crop prospects are not equal those of last year with respect to winter wheat, we must at least keep in mind that there is going to be much more free wheat in the reserve stock than we have had in the last six or seven years. Furthermore, if present prices hold up the market will have to absorb a good deal more of the new wheat than has been the case in other years when so much went into the loan and was impounded. The government anticipates that about 350 million bu will probably be exported during the 1951-52 season. This, of course, is all conjecture and much will depend on the outcome of European crops, which at the moment are not regarded as coming up to the standards of a year ago, but as an offset they might raise a good deal more merchantable wheat in Canada. Last season the early outlook for Canada was for an enormous crop, and while yields were finally quite heavy, despite some frost damage the great trouble was that a large part of the wheat was unfit for human use, and, therefore, the demands from here became heavy so that export shipments during the last six months of the crop-year were a good deal more than had been anticipated at the start.

It was announced from Washington that the 1951 report on stocks of soybeans and flaxseed originally scheduled for release on April 30th would not be made public until May 8th, and apparently the delay was made necessary because data on stocks in the processing plants collected by the Bureau of Census was not available earlier.

Another boat carrying oats cleared Ft. William for Chicago with 330,000 bu, and we expect that there will be some additional cargoes coming to this country, and finally tenders on the May contract may be fairly heavy in satisfaction of those who presently have short positions.

Broomhall makes some interesting comments on Europe, stating that weather has improved this week and that more active field work is now possible, but still acreages are bound to be smaller than last season, except possibly in the Southeast. As an offset the Argentine government is recommending a considerable increase in wheat acreage in the belief that world demand will continue large. It is still too early to say whether such a campaign will bear fruit. As an incentive some are urging that they announce a higher price to growers or provide some other stimulant to achieve this end. Many farmers are complaining that higher labor costs leave them too small a margin.

Primary receipts of wheat amounted to 2 1/4 million bu compared with 1 3/4 million bu last week and only 3/4 million bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 240,000 bu. When the visible supply is posted on Monday it will compare with a decrease last year of a little over 1 million bu.

Trade was moderate, and there was no feature to wheat. Markets were a little lower at one time, but there were moderate recoveries, so the close was not much changed from the day before. There was more strength in some of the other cereals, rye was particularly strong, and corn was fractionally higher. The principal buying was in the May delivery by brokers who often represent Northwest interests. There were some efforts made to buy May hedges and sell July at 3 1/4¢ difference, but we doubt whether volume was large. In view of the fact that oat seeding has been retarded we believe that purchases of this grain against sales of corn might work out advantageously, as there is a very sharp differential in price, and even granting the difference in test-weight this spread looks attractive.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

Beans tended somewhat lower due to late weakness yesterday in cottonseed oil, but moderate buying brought about a partial recovery. UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 April 30, 1951.

On Saturday the Santa Fe Railway came out with a very pessimistic report on wheat prospects for the Southwest, and claimed about the only room for optimism in an otherwise dreary picture was on the eastern third of the wheat belt where there had been ample moisture. Apparently additional greenbug damage was taking a heavy toll in many sections of the country covered in the area which that road services, and on basis of the figures they gave there might be a further slump since the government report was issued last month. For example, they figure that Texas might not exceed 15 million bu, with the average for Oklahoma possibly reaching 30 million bu. The Kansas wheat crop was also reduced, particularly in the western third of the state, and their tentative estimate was for 125 million bu, while Nebraska they claimed had a prospect for 75 million bu. Large areas, according to their report, were already dead or abandoned, and acreage loss they believe was nearing the 15 million acre mark, so that altogether this is one of the worst years we have had in recent times.

In the ten years before the war our total production of winter and spring wheat averaged 740 million bu. If we should raise 625 to 650 million bu winter wheat, and if we produced a spring wheat crop of, say, 300 million bu, it would still give us better results than in former times. However, we have to take into account that our export program is much heavier, and there is some talk that wheat and flour shipments during the next season will amount to 350 million bu. There are several factors in production that one must take into account. First of all, acreages are of prime importance, and the more that is planted, the better chances naturally for a big crop. The second factor is moisture, particularly when it is evenly distributed and comes at propitious times. There is also the question of insect damage, with this year being a good example of what can occur when greenbugs and other pests take a heavy toll. However, it must also be considered that fertilizer is much more extensively used than ever before, and since 1939 there has been a steady increase. We are now using approximately 17 million tons of commercial fertilizer per year, which is more than double the 1940 rate, and there are indications of further substantial gains. The recent decade of the greatest farm production in the history of the country has been closely allied with the sharp increase in the use of manufactured plant food. Higher prices, of course, have enabled farmers to buy various nitrates, phosphates, and other chemicals, and for many years now the State Experiment Stations and the Extension Bureaus have actively urged a wider use of various fertilizers in farm production. Since 1939 commercial fertilizers have increased in price proportionately less than any other important commodity used in farm production. This also has stimulated wider usage. It is quite impossible to state precisely to what extent the amount of present farm production may be attributed to these causes, but according to expert opinion possibly 20% additional output may be claimed. Thus, we may be on a permanently higher basis, provided we get favorable weather, although there are some other reasons for expecting better yields, such as improved varieties of seed and the use of mechanized equipment, which permit more sound management practices on part of producers.

There were good rains in scattered parts of the Southwest, which should prove beneficial, and a return of unsettled conditions is generally reported with the map indicating quite a little rain for all parts of the country tonight or tomorrow

There was a delay in posting the visible supply stocks. However, in Chicago wheat decreased 156,000 bu, leaving 5 1/4 million here; corn locally increased a little over 1 million bu to nearly 15 million bu, oats increased also over 1 million bu, with 2 1/2 million now in Chicago. Rye decreased 581,000 bu, leaving less than 2 million bu here, although there is about 269,000 bu rye in bond. Beans decreased 224,000 bu. There is somewhat less than 3 1/2 million bu in our market.

There was weakness today, particularly in wheat. Heavy deliveries of more than 1 1/2 million bu caused some liquidation, but beyond deliveries there was nice moisture again in some sections of the Southwest, and temperatures generally seem to be higher.

Today is the last day for redemptions on terminal wheat and possibly hedging pressure will be smaller henceforth, and for that reason there may have been some buying of wheat on breaks. Milling demand shows a slight improvement, but the demand was mostly for nearby shipment. Not much was heard in export circles except spring wheat and demand from abroad is slow, at least on new business. There were rather liberal deliveries of wheat in outside markets, and all this indicates that the cash demand is dull.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 1, 1951.

Sometime this week one of the private experts will express his views on the probable size of the winter wheat crop, and very likely this will be a reflection of the deterioration which has been reported rather generally over Southwestern sections of the country. On the 10th of the month we shall have an official report which may not take into account the rains now occurring, but which undoubtedly have brought some improvement to the growing crops in Kansas and Nebraska. Sometimes, according to our understanding, the Department of Agriculture tries to correlate the information they get from farmers up to the first of the month with conditions that prevail between then and the compilation of their data, but there is no certainty on that question. All one can say is that farming methods have shown a vast improvement over the past decade, and with better seed that has been used there is still some hope that on the remaining acreage we may finally have better yields than were expected during the period of cold weather when little growth had set in.

We are also fortunate in looking a little further ahead that nitrogen and potash supplies for the year ending June 30, 1951 are indicated to surpass all previous records. However, with the tremendous demand, particularly in the southern states, where a large increase in cotton acreage is anticipated, theremay be some shortages here and there. Still no farmer in this day and age who is interested in acheiving maximum efficiency and maintaining the fertility of the soil can overlook the great advantages of getting the greatest benefit from his soil. For each individual farmer the relationship between farm product and fertilizer price, and the production response to fertilizer applications are naturally things to be studied. But as we pointed out yesterday the price of commercial fertilizer has risen less in proportion than any other farm commodity. Without the use of these manufactured plant foods some of the agricultural lands that now produce economically could only be regarded as submarginal and contribute little to our food supplies. The various experimental stations in colleges have demonstrated what the same soil will do before and after proper fertilizers have been applied.

When our market opened this morning prices were a little easier and some of the deliveries and retenders on contracts yesterday had been made late, so that liquidation this morning was probably by holders who were not particularly anxious to carry grain, while others changed to the deferred months, which had the effect of widening carrying charges slightly.

There were light to moderate showers over the spring wheat belt, and in fact, some rather heavy rainfall over central and eastern Nebraska, Kansas, and Oklahoma, as well as over portions of Iowa and Missouri. It would be better if we had a period of dry weather Northwest in order to complete seeding operations. The Occident Elevator report told of good progress in North Dakota for wheat seeding along the main line of the Northern Pacific Railroad and south, with, roughly, 50% of the wheat in the ground. Farther north less work was possible, but apparently with fairly good weather conditions a large percentage of the crops they said would be seeded in southern Montana and a good start in the north. As stated, some sections of Kansas had some very fine moisture but apparently the big losses will be in the western section of the state, while reports from central and eastern districts are still fairly optimistic.

Primary receipts of wheat were quite heavy and amounted to nearly 3 million bu, which compared with slightly over 2 million bu last week, and somewhat over 1 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 185,000 bu.

After mid-session the five-day forecast was published; it is extremely favorable for the corn belt, where temperatures will average 6 to 10 degrees above normal. Precipitation is expected to be heavy generally, above 1 inch in some localities. It also looks extremely favorable for the Southwest, and higher than normal temperatures will prevail over Kansas, Nebraska, Oklahoma and Missouri, Whatever precipitation occurs is expected to be in the form of scattered showers and thunderstorms, which could hardly be improved upon if made to order. The only place where we would like to see some dry weather is in the Northwest, but apparently a fair amount of rain is in prospect.

The market remained reasonably firm for a time, but in the last hour there was quite a little liquidation, and apparently new buyers could not be attracted in volume, except in rye where the liquidation caused a big break with prices showing an extreme break of over 5¢ per bu, although later on scored a partial recovery. It was felt that a good deal of the selling, in wheat at least, was for professional account, although commission houses also participated. Milling business was again very quiet.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 2, 1951

Sentiment after the close yesterday was a little bearish owing to the fact that the market had declined rather sharply despite only moderate selling. The news, of course, favored the bears to some extent with better weather reported over the belt, and it is still a matter of conjecture as to how much improvement can take place owing to the serious infestation and greenbug damage, which apparently has already taken a very heavy toll. As a matter of fact, there have hardly been any good crop reports during the past month, and yet on April 2nd July wheat closed at virtually $2.50 a bu and is now lower, all of which is indicative that there has not been the outside support nor the speculation which would ordinarily be generated by a series of crop damage reports such as we have had. First of all, it is not too easy to get the public to buy wheat at this level. Secondly, we have a different situation from that experienced over a period of years. The percentage of free wheat in the carryover will be larger for the reason that the high price has undoubtedly occasioned heavier redemptions.

On June 30th, we expect that there will still be 425 million bu old wheat in the country, or practically the same as last year, and this would be the largest since 1943. In fact, there have only been two seasons in history that our reserve stock ever exceeded the amount which will probably be carried into the 1951 crop. There have been two occasions since 1937 when our carryover was as low as 83 million bu. It has also been our experience that it makes a vast difference whether we have a big reserve at end of the season and a small crop, or a small reserve followed by a big crop even though total bushels may be about the same. The answer is that when the reserves are heavy there should be fewer holes to fill in except for the fact that our government has a very aggressive program and claims that 350 million bu may be exported in the coming season. As a partial offset if prices remain high we may not have so much wheat impounded, and a good part of the receipts coming to terminals may come into the free market, thus causing hedging pressure. All this seems to indicate that the market may be more two-sided, even granting higher living costs, higher parity, and a general advance in the commodity level for practically all products.

When our market opened this morning there was no particular pressure; in fact, some local short-covering took place, so that we had advances, but these were shortlived.

The state reports indicate late seeding for the Northwest and in Minnesota with very little field work done to-date. Wet soil conditions are reported especially in the south, but some improvement also taking place. South Dakota is a little better, and spring wheat seeding is completed or nearly finished west of Missouri, except in the northern tier of counties where it was about half finished at end of last week. One of our friends in Minneapolis told us that weather last week has turned surprisingly good for spring wheat in the Northwest. Seeding is getting along well for those counties in northern South Dakota west of Aberdeen. He figures that probably 25 to 30% of the seeding had been completed in southeastern North Dakota and 50 to 75% completed in southwestern North Dakota, while 75 to 100% completed in parts of Montana. Seeding had started in many localities in northeastern North Dakota and northwestern Minnesota, and would probably be general except for the fact that some showers have been received which have delayed operations in spots. In all, however, he was pleased with the work accomplished during the past week. In the Southwest the recent rains must have brought about improvement, and the Oklahoma bulletin told of an area in the north central section of the state which had a large acreage of fair to good wheat. On the other hand, more than half the planted acreage has been abandoned in some of the poor sections comprising the southwestern and west central areas.

Broomhall's Foreign Summary claimed that planting was still backward in Europe. The impression is that acreage will be smaller than last year. Here at home milling demand was a little better, but still only fair. The Department of Agriculture announced that support prices for sorghums will be placed at a national average of $2.17 per 100 pounds basis #2 grade or better. This is a boost of 29¢ over support rate announced in February, and is 30¢ higher than for the 1950 crop. The increase was intended to encourage plantings.

After mid-session markets firmed, although corn closed lower, except that the December delivery was stronger. Wheat prices improved, b ut May lost further ground on the later months.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

A Canadian report from Searle, their first of the season, stated that combined total moisture reserve in soil and rains from April 1st to April 30th for the three Provinces was 90% of normal vs. 69% this time last year.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 3, 1951

According to the last summary of the Department of Agriculture it was figured that the eighth consecutive billion-bushel wheat crop was in prospect for the U.S. in 1951 if growing conditions through harvest would be at least average. Apparently there have been some reductions in winter wheat and very likely when their May figures are published, there will be quite a decline from the month before. Still we have reason to feel that if the spring wheat crop comes through in good fashion the government's promise may yet find fulfillment. We should not forget that a total of 78 million acres all wheat was reported seeded or to be seeded for 1951. This was 9% higher than the 71 1/2 million acres seeded last year and 14% above the 1940-49 average of 68.2 million acres. Thus even with heavier abandonment due to greenbugs and other troubles our standing acreage may still be quite heavy. On March 1st, growers reported that they planned to seed nearly 22 million acres of all spring wheat. If this is accomplished it will be 18% above the seedings a year ago, and would make up for some of the losses in winter wheat.

We need big crops in this country as ever since the war our export program has been so heavy. Shipments from 1945-46 through 1948-49 averaged 444 million bu but declined to slightly under 300 million bu in the crop-year, 1949-50. It looked at the beginning of the season as though our shipments this year would show a further dropping off, but due to the fact that there was so much unmerchantable wheat in Canada our exports for the last two or three months have been stepped up considerably Including the 11 1/4 million cleared last week we have now shipped, according to Broomhall, 247 million bu compared with 260 million a year ago. Of course, a large part of this was made possible through the heavy subsidy granted by the government, but in any case the final result should mean shipments approximating those of last season.

There is another factor, of course, that has had a big bearing in recent years on the price level: namely, the quantities impounded. From 1938 to late 1944 the lean program, which reflected the general rise in prices that farmers pay, was certainly the most important factor in domestic wheat prices. The same might apply equally to corn, and in this connection it is interesting to note that less than 48 million bu of the 1950 crop was put under the price support program, which compared with approximately 315 million bu of 1949 crop corn impounded. Thus it is fair to assume that even with the smaller carryover reserve in corn, free supplies will be ample unless the government puts away a reserve stock. During the past week our exports of corn were 2.8 million bu, and since November 1st we have shipped 66 million bu compared with 64 million a year ago. Our clearances of soybeans have been far in excess of last year with 21 million shipped since November 1st vs. 7 million in 1950. Rye exports since the beginning of the crop-season were 2 1/2 million, only half as much as last year.

Overnight weather was mostly clear for all parts of the country. Temperature changes were unimportant, being about normal or slightly warmer in many districts. Possibly a few local thunderstorms will be experienced in the extreme northerly districts of the corn belt, and a few local showers are also possible for the Northwest but generally speaking a settled condition now prevails.

Primary receipts of wheat today amounted to 2 1/2 million bu compared with a little over 3 million bu last week, and only 886,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 606,000 bu.

The trade was much more moderate today than recently; however, prices were firm, and after an initial decline buyers appeared on the horizon, apparently the private expert tomorrow is expected to publish a bullish report. This, together with some pessimism expressed in the Cargill Crop Report, may have been responsible for the better undertone. Milling demand was still far from good, but it is figured that exports during May and June will be quite substantial, and some people are looking for smaller carryover reserves than the figure we have mentioned.

State reports on the whole were a little bit better, particularly on Nebraska in taking account of Southwest conditions. In North Dakota good progress was made during the past week with spring wheat operations. However, nearly all of the state, with the exception of the southwestern area, is now considered to be slightly late with respect to seeding. However, a few days of mild temperatures may make up for this. Supplies of topsoil and subsoil moisture are mostly adequate. There are other traders who believe that until the Canadian crop is assured and actually harvested that clearances from the U.S. will be big. Corn steaded after an early decline; the December future which has been lagging seemed to gain on nearby months.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 4, 1951

The Galvin report was expected to show a large reduction in condition and yield of winter wheat, but the cut of nearly 100 million bu from the last government estimate exceeded most expectations. This expert, who is both sound and conservative, pointed to the fact that abandonment would be about 29% of the seeded acreage, almost three times the average of 10.8%. There have been various reasons given by experts as to the causes bringing about this serious condition. Some claim that greenbugs, cutworms, and aphids were secondary, and that actually drought and cold during the winter were the important factors in the damaging of wheat. It is probably true, however, that those fields that were hit by extremes and where the drought and cold were most severe have probably been subjected to the greatest injury from insects.

In any case if today's figures are about correct, our standing acreage will be somewhat less than 40 million, and the smallest since 1943. Likewise it now appears that we might harvest our first crop of combined winter and spring wheat of less than a billion bushels since 1943, when total production was 844 million bu. In that year, however, the carryover reserve from the previous crop was 618 million bu, so that total supplies were heavy, and to that extent we shall have a smaller quantity of grain with which to deal, although if we can count on some improvement due to the recent good weather, and assume that finally the winter wheat yields will amount to 650 million bu, adding to that 300 million bu for a possible spring wheat crop, the total would still be about 200 million bu more than was raised on an average during the ten years prior to the war. Looking at it in another way, if our domestic consumption is 725 million bu and our exports 350 million bu, it would mean a total disappearance of 1,075 million bu. Deducting this from the crop and carryover of 1,375 million bu, based on a reserve the same size as last year, it would give us a carryover stock of 300 million bu on July 1, 1952. This would not compare too badly with some of our reserves in other years; in fact, the prewar average amounted to only 235 million bu. Furthermore, we have had much smaller amounts with which to contend even recently, although comparisons in the grain trade are so often made merely with the year before and on that basis the trade may assume a rather bullish attitude, particularly as the demands from Europe may be heavy with some reduction in their yields as compared with last year.

In today's report the heaviest reductions were in the Southwest. For example, a crop of only 7.3 million bu is indicated for Texas. When it is considered that this state on a somewhat larger acreage has produced over 100 million bu in recent years, one can easily recognize how improvident nature has been. Likewise, Oklahoma is down to 31.7 million bu, according to this expert, with Kansas and Nebraska together showing less than 190 million bu; also, a heavy cut because Kansas alone has often raised more than that quantity of wheat. It remains to be seen now whether the government will be as severe in its abandonment, but in any case we should not be surprised if the worst were now known, and possibly some upward revisions may occur before the final figures are tabulated, although the heavy abandonment naturally restricts the percentage of improvement that may take place.

Generally fair weather has prevailed over both Northwest and Southeast areas the past twenty-four hours. Cool temperatures around the lakes and southeastward were reported, but elsewhere changes were not important. Since the first of May farm wheat selling has naturally slowed down considerably, and redemptions are no longer possible except on wheat stored on farms. This has been responsible for some firming of premiums in the Southwest and likewise Kansas City futures have gained on Chicago.

Primary receipt of wheat were 2,675,000 bu compared with 2,259,000 bu last week and 832,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 616,000 bu. When the visible supply of wheat is posted on Monday it will compare with a small increase of 161,000 bu last year.

Trade was moderate, probably a little heavier than yesterday. Some short covering took place after the private report was issued, but as so often happens news is discounted beforehand. In any case, there were reactions and there was also selling of November beans with the locals inclined to be a little bearish probably on the theory that oils were showing an indifferent and weaker tendency. May corn improved a little compared to distant futures. Corn of western origin, which for a long time has been coming to Chicago is now on too high a basis. The east is inquiring here for cash corn willing to pay about equal to a delivery price. Flour business remains small to moderate and there are not many hedges being taken out of the pit.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 7, 1951

Weather has been generally clear over all sections of the grain belt, including the Canadian Provinces, and while we have not had many direct reports, we assume that seeding operations are progressing normally, and that spring work is gradually being completed. We heard in some cases that farmers near Chicago were working all day yesterday, and, of course, with modern equipment, the work is bound to go fast, so that whatever acreage is intended for corn should be planted very shortly, particularly as the forecast is also for higher temperatures over the corn belt and clear skies.

There was nothing in particular to guide our market this morning except that with progress being made new incentives for buying seemed lacking. As we have pointed out in other letters, May is a month when scenery is often at its best. We do not approach a period of hot weather until later on; therefore, growth is generally normal if subsoil moisture conditions are favorable, but in looking a little further ahead it would appear to us that unless there is some vast improvement in Texas, Oklahoma, and Kansas, the early pressure from hedging will not be particularly heavy. Actually with the export program that is contemplated, and with mills taking some of the early moved wheat, the situation will be quite different from what it would have been had we raised a large crop, such as was forecast last December, or even a crop of 750 million bu, which was the size of last year's winter wheat harvest. There are, of course, some offsets in that the carryover of free wheat is much larger than in recent years. Meanwhile, if prices hold up there will be less new wheat going into the loan, and more of it destined for commercial channels. However, it will probably be September or thereabouts before Canada will offer much for export unless the prospects are so good that sales are made in anticipation of their movement. Meanwhile, wheat is being delivered and retendered on our May contracts, indicating that there is less demand for the stocks on hand and at present price levels the demand for flour seems to be mainly from hand to mouth.

There had been some export business to Britain on Saturday, which took hedges out of the pit, and this morning further business but smaller. Likewise trade was indifferent, with apparently a little more selling than buying in the early transactions.

Late last week CCC published some data showing their wheat position at end of March with an inventory of about 229 million bu, which was a reduction of 9 million from the previous month. Various loans included 138 million bu, of which 7 million had been re-sealed from the 1948 and 1949 crops, together with 131 million bu from the 1950 crop. This latter figure compares with total loans taken this year of about 187 million bu, Besides that there were some small quantities of purchase agreement wheat amounting to 8 1/2 million bu. The 131 million bu of 1950 loan wheat compared with 160 million bu at end of February. We have no figures on later redemptions but from what we gather it is still our view that a good part of the reserve stock will be in free hands.

There were heavy wheat receipts again today at Kansas City of 650 cars, with 743 cars in Minneapolis and 495 in Duluth, which confirms our position, and while hedging pressure is not great there is at least an opportunity for elevator interests and mills to acquire supplies before the new crop starts coming to market.

When the visible supply of wheat was posted there was an increase of 276,000 bu, the total is nearly 160 million bu, or 5 1/2 million bu more than last year. Corn visible decreased 1/2 million bu to 56 million bu compared with 42 million bu a year ago. Chicago wheat stocks, with a moderate decrease, are still 5 million bu. Corn increased 478,000 bu locally to 15.4 million bu, oats in this market increased 771,000 bu, reflecting the imports from Canada, and we now have 3.3 million bu here. The change in rye was nominal, but there is only about 1 3/4 million bu left in this market. Chicago bean stocks decreased 1/2 million bu, to slightly under 3 million bu.

Trade was moderate and about mid-session there was some support. It was felt that with the deterioration reported in winter wheat that one could not become too bearish; therefore, with a little better buying recoveries took place, but the close was still a little lower than on Saturday. There was no special feature in the other pits. At one time oil prices weakened, and this caused some selling in beans. Chances are that even with a smaller bean crop in prospect, if cotton comes through on a big acreage, cottonseed oil supplies will be much more plentiful. However, at the present level sellers are cautious.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 8, 1951

In his radio and television visit with the American public last night, President Truman voiced concern over the possibility that Soviet Russia might bomb American cities. He warned that by fighting on a limited scale now that we might be able to prevent a third World War. In our humble opinion, the dominant reason that Russia has not declared war is because she fears the economic strength of the United States. It is obvious that we cannot hope to match Russia in her masses of men but must rely upon our technical superiority and great mechanical power. Full utilization of our manpower and productive facilities will be the deciding factor in victory. Russia and her satellites have 34% of the world's population, 15% of the electric power production and 20% of the world's income. The United States with about 6% of the world's population produces 42% of the world's electricity and accounts for 42% of the total world income. The London Economist recently stated that the average American worker produces twice as much per hour as the British worker, and concluded that the master key to this spread was the twice as great per capita consumption of electricity in the United States. Thus, it is that the average American worker has ten times more mechanical power than the average worker in the rest of the world, and our standards of living are correspondingly higher. Per capita income in the United States in 1949 was $1,453 as compared with an average of $138 per capita for the rest of the world.

When our market opened this morning it was influenced by mostly fair weather over the belt, including the Canadian Provinces, and chances are that we shall have mild temperatures and probably a little warmer, which is satisfactory for seeding operations both in spring wheat and for corn. Two reports from the Northwest were rather satisfying, as field work made good progress during the past week, and temperatures were favorable. There was general precipitation during the first part of the period over many sections; in some favored areas wheat and Durum wheat is about completed. Some of the small grains which had been seeded early have emerged at some points with very good stands and color. The Peavey report claims that for the most part winter rye looks good. In areas where the greatest progress has been accomplished, there is probably a need for rain, but most districts could use another week of fair weather in order to complete operations. The five-day forecast looks for some scattered showers, and, of course, June is generally the critical month for the spring wheat areas. It is also to be hoped that temperatures then will not be too high.

A government report will be issued after the close of the market Thursday. Some believe that while winter wheat estimates may be fairly close to those of Galvin's, that final results may show improvement, as Kansas and Nebraska are beginning to look up in those areas where deterioration had not been so severe.

There was some export business again with hedges covered when our market opened; this gave us a little strength, but trade was fairly light with apparently no selling pressure of any importance.

Primary receipts of wheat amounted to a little over 3 million bu, which was about the same as last week, and compared with 997,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 174,000 bu.

Trade was extremely inactive today. There was not much to induce traders to take a position on either side of the market. Cash premiums from the Southwest were a little firmer and the chances are that the pressure now will become light, as redemptions of farm-loan wheat are small. However, flour business has fallen off again to small volume, according to reports from the Southwestern Miller, but there seems to be a little more inquiry for June, although trade is hesitant to take on heavy commitments. There are still some retenders of various grains on May contracts in our market, and the same Southwest, all of which is indicative of rather small cash business.

Broomhall reports more favorable weather over much of the European Continent and some improvement in the general crop outlook has occurred. Nevertheless, previous wet weather over a long period and the unseasonably cold apparently curtailed spring plantings, which cannot be entirely made up. Likewise there is some delay in growth of winter crops. On the whole the outcome looks less favorable than last year and some of the land presumably intended for wheat will be planted to other crops.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
hicago Board of Trade
w York Produce Exchange
w York Cocoa Exchange
e York Coffee and Sugar Ex.
ommodity Exchange Inc.

UHLMANN GRAIN COMPANY, INC.
TELEPHONE WHITEHALL 4-1992
39 BROADWAY, NEW YORK 6, N. Y.

MEMBERS:
Minneapolis Chamber of Commerce
Winnipeg Grain Exchange
Duluth Board of Trade
Kansas City Board of Trade
Fort Worth Grain and Cotton Ex.
Chicago Mercantile Ex.

May 9, 1951

The war news was quite a little better this morning, and our bombings were apparently hitting strategic targets, but this has very little effect on early market quotations. The cost of our defense and related programs for the coming fiscal year is placed at over $50 billion. This is nearly equivalent to the combined national income of the United Kingdom and France. If for no other reason, it is obvious why most of the responsibilities lie heavily on our shoulders. By the same token, however, it shows the necessity for economizing on non-defense expenditures, particularly if we are to maintain our prestige and continue the progress we have made in the past. During the last decade more than $100 billion has been invested in plant and equipment. In most European countries capital investment has been relatively low, competition has been stiffened by cartels and monopolies, research were generally ignored, and there has been a tendency to cling to obsolete methods and facilities. Moreover, taxation in some of the other countries became so high that initiative was curbed. Here at home we have done a perfectly wonderful job. For every worker in this country there is an average capital investment of $10 000 in machinery, equipment and plant. This has been responsible for our great productivity and advancement. It goes without saying that we can ill afford to impair our economic strength, which at the present time is facing such a severe test. Up to now the impact of our defense program has been of minor influence, but as the mounting defense orders are converted into military equipment and supplies, there is bound to be a growing strain on our economy. Unless we had kept ourselves strong we could not have borne the major part of the burden which has fallen upon us. To build an impregnable military system, which undoubtedly is necessay may impair our economic strength, but in any case will present serious problems, and certainly it presents the greatest challenge we have ever had to face. The failure of other countries, and particularly our allies to achieve greater productivity has forced a disproportionate defense burden upon the economy of the United States.

When our market opened this morning there had been some rain reported in parts of Kansas, mostly in the west, but as much as .65 inch at Salina and the forecast suggests scattered showers for central and eastern sections of Oklahoma and Kansas tonight. It has been mainly fair in the northwest except some rain in southern Minnesota. This is all favorable, particularly as seeding operations are progressing well in the spring wheat areas, and while operations are on the late side, it is not unduly late, and certainly far ahead of last year. Farmers all appear to be busy in the fields, which also means that offerings from the country are next to nothing and purchases from first hands are negligible. There will, however, be a better movement undoubtedly after seeding has been completed. In the meantime there is sufficient grain at country elevators to keep terminal receipts at a fairly good level. While some moisture occurred during the past week in the form of good showers, the rain was not heavy enough to delay seeding more than a day or so. In southern North Dakota and southern Montana work has virtually been completed. It is also nearly finished in north central Montana, possibly 50% of seeding has been accomplished along the main line of the Great Northern east of Havre, continuing straight through North Dakota and northwestern Minnesota. Up along the Canadian border a little work has been done but with a few days of good weather, it should advance quickly, and even the late districts are now reporting operations are starting.

Primary receipts of wheat were smaller at a little over 1 million bu. compared with 1.3 million bu. last week, and 431,000 bu. last year. KansasCity and Minneapolis stocks so far this week show a net increase of 256,000 bu.

Trade was not particularly active, however, markets did not hold the early gain, and the state reports, while not too encouraging, were at least reasonably optimistic, with a bulletin from Kansas claiming that generally favorable development during the week had been made, and the plant had either jointed or was jointing through out the state. Milling demand was extremely dull, and apparently there is no increase in volume. There was a little export business reported in both wheat and corn. This took some hedges out of the pit. However, large buying of corn futures by one export houses apparently had very little influence a s there was liquidation.

The Department of Agriculture gave a resume on corn. The disappearance from October through March was 100 million bu. less than

This is not a solicitation of any order to buy or sell but merely a current market bulletin. Any statements of fact or opinion contained herein are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any investment opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.
CHICAGO, 4

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

May 10, 1951

News from Korea was very encouraging for the second successive day, not only have our bombings been effective, but enemy losses were heavy, with 6,000 casualties reported. This had some influence on our market which opened lower. Despite the tremendous progress toward the defense program, and even some government restrictions on metals and allocations of materials, we find that many businesses are still prospering and going ahead. Since the first of the year the production of cars and trucks has been about 18% above the same period of 1950, and the highest on record for any comparable period. With a seasonal rise during the month of March, construction activity for the first quarter was the best on record. The total value of new construction during that period was $6.1 billion, or 21% above the same period of last year. Many experts in the field believe that the peak has been reached, and that the total for the year may be below that of 1950 because of credit restrictions and the diversion of materials and manpower for defense and other supporting programs. There have been some lines that are in a less favorable position; for example, retail sales have slackened, and department stores show a 12% decline from February and March, and are now at the lowest levels since last Spring. Apparently much of the feverish buying has subsided; a good many individuals were afraid of scarcities and shortages, but their psychology has apparently changed. - Taking everything into account it is still felt that 1951 will be a banner one in production, national incomes, and employment.

There have been quite a few rains reported over sections of the Southwest; these were expected, but at this season of the year moisture is always welcome. For example, Dodge City, Kansas, had nearly one inch of rain, the same for Topeka, with a shower at Wichita, and even a little more moisture in western sections of the state, with a light shower at Liberal. Coffeyville, which is in the southeastern portion, had aninch, and it looks to us as though the final yields for Kansas will show up better than some of the more pessimistic reports which had been made previously.

There was likewise some export business overnight, which took hedges out of the pit, and this became a factor after the first selling orders were placed. Our wheat and flour shipments during the past week were slightly smaller at 8.7 million bu, but the total since July 1st has been 256 million bu, which is only 6 million bu less than for the same comparable period a year ago. If last week's volume continues for the remaining eight weeks of the season, we would have total shipments of 325 million bu, or more than a year ago. U.S. corn exports last week were 843,000 bu, and since November 1st 67 million bu has been cleared versus 65 million bu last year. Total clearances of soybeans are 22 1/2 million bu for the season compared with only 7 1/2 million last year. Oat shipments were smaller at 482,000 bu for the past week, and since July 1st only 3 1/4 million bu has been reported - about one-quarter as much as a year ago.

We do not hear much more on European crop progress. Winter wheat in England and Wales, where almost all of the winter wheat is produced, has an estimated acreage of 1.5 million acres, which is 18% less than seedings of a year earlier. The decline was caused by too much moisture which held up work in many fields, and by cold weather last fall. However, early sown wheat looks good, but the late sown is patchy.

Primary receipts of wheat totaled 3,005,000 bu versus 2,580,000 bu a week ago and 795,000 bu the comparable day of last year. So far this week Kansas City and Minneapolis stocks show a net increase of 350,000 bu.

During the session it was announced that Russia is sending 50,000 tons wheat to India, some already being on the way, the balance to be shipped by end of June. Otherwise there was not a great deal in the news today. Some liquidation probably was evening-up before the government report to be issued after the close this afternoon.

According to the Southwestern Miller, CCC estimates that there were 60 million bu wheat defaulted against the 1950 loans. Figuring that the CCC invertory on wheat on April 30th was 168,800,000 bu, and with an indicated total decrease of 30 million during May and June, it would mean that CCC would own slightly less than 200 million at the end of the crop year. Therefore, about half the carryover on June 30th will be in free hands. Flour business was slack, although lower markets have attracted a broader inquiry. Export flour sales continue to be stagnant.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible] last the second accounting [illegible]

[illegible] reported. This had some influence on our nearly [illegible]

[illegible] to the tremendous progress toward the defense program, but even some [illegible]

[illegible] restrictions on metals and allied nonmetallic materials, we had [illegible] - [illegible] are still prospering and having enough [illegible] the first of last year, the produc-

[illegible] 1941 above the comparable [illegible]

[illegible] for any comparable period. With a somewhat [illegible]

[illegible] construction activity for the first quarter was the best on record. The [illegible] of new construction during [illegible]

[illegible] period of last year. Many [illegible]

[illegible] had, and that the total for [illegible]

[illegible] and the diversion of material and [illegible]

[illegible] proceeds. There have been some lines that [illegible]

[illegible] example, retail sales have [illegible] and apparel [illegible]

[illegible] Cabinet, and are now [illegible]

[illegible] much of the foreign buying has [illegible]

[illegible] of securities and shortages, but [illegible]

[illegible] everything into account it is still [illegible]

[illegible] tional income, and employment [illegible]

There have been quite a few [illegible]

[illegible] were expected, but at this season of the year Dodge is always welcome [illegible]

[illegible] example, Dodge City, Kansas, had nearly one inch of rain, the [illegible]

[illegible] with a light shower at Lafayette. Coffeyville, which is in the southeastern [illegible]

[illegible] had enough moisture to carry through the first yields for farmers with [illegible]

[illegible] but some of the more pessimistic reports which [illegible]

There was live[illegible] business [illegible]

[illegible] wheat and flour shipments during the past week were [illegible]

[illegible] the total since July 1st has been 386 million bu., which is [illegible] - [illegible] less than for the same comparable period a year [illegible]

[illegible] for remaining six [illegible]

[illegible] million bu. or more than a year ago. U.S. corn exports for week ending [illegible] [illegible], and since November 1st 57 million bu. have been cleared mainly [illegible] - [illegible] bu. last year. Total clearances of soybeans are 42.1/2 million bu. since October [illegible] [illegible] with only 7 1/2 million last year. Cotton ginning [illegible] [illegible] the past week, and since July 1st only 3 1/4 million bu. [illegible] [illegible] one-quarter as much as a year ago.

We do not have much [illegible] on European [illegible]

[illegible] Iowa, where [illegible] of the [illegible] is produced, has [illegible] a acreage of 1.5 million acres, which is less than acreage of a year ago. [illegible] [illegible] was curtailed by too [illegible] moisture which held up work in many [illegible] [illegible] by cold weather last fall. However, early sown wheat looks good, but the [illegible] is uncertain.

Primary receipts of wheat totaled 3,000,000 bu. versus [illegible] 000 bu. a year and 700,000 on the comparable day of last week. So far this week [illegible] [illegible] Minneapolis stocks show a net increase of 3,350,000 bu.

During the session it was announced that Russia is sending 50,000 [illegible]

[illegible] wise there was not a great deal in the news today. Some liquidation [illegible] [illegible] overnight before the government report to be issued after the close this [illegible]

According to the Bureau of Labor, CCC estimates that there were [illegible] [illegible] employed during the 1940 [illegible]. Figuring that the CCC [illegible] [illegible] 1940 [illegible] 1,000,000 bu. and with an indicated total decrease of [illegible] [illegible] would mean that CCC would have slightly less [illegible] [illegible] year. Investors, about half the commission on [illegible] was also [illegible] lower markets [illegible] is continuing to stagnate.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 11, 1951

After the close of the market yesterday, the Department of Agriculture made its estimate on the winter wheat crop, forecasting 682 million bu, which was a reduction of 44 million from the April 1st figure. This would be the smallest crop since 1943 and 9% less than we raised a year ago. It also compares with production of 791 million bu, the ten-year average. Apparently crop prospects had declined very severely during the early part of April. Toward the end of the month they brightened to some extent, and, of course, early in May there were further rains, and moderately good temperatures. So on the whole it looks as though there had been great improvement as compared with some of the very pessimistic reports that had circulated. The abandonment, while heavy, was a little bit smaller than had been anticipated, and we find actually that there were a few states whose condition had improved a little during the month: notably, Kansas, with an indicated crop of 155 million bu, despite insect damage and lack of moisture during the winter months. Oklahoma also showed a slight increase while the decline for the state of Texas was not as great as some had feared. In any case if we now harvest a crop of 300 million bu spring wheat, it would give us a total yield of 982 million bu, which would not be so far below the billion-bushel mark to which we have become accustomed.

Not too much attention was paid to the report when our market opened, and as so often happens conditions of this kind are anticipated and probably discounted. Nevertheless, the present level of price is high, and we have noted that a good many speculators who find it only to their advantage to take a six-month position because of tax considerations have not been tempted to take on big commitments even with the many bad crop reports that have gone around. In other words, the purchase of December wheat at $2.50 a bu had some hazards even for those who might have been moderately bullish in their beliefs. The acreage remaining for harvest is 41 1/4 million for the winter wheat area, and while there have been some reductions in the soft winter wheat states as compared with last year, we find that Illinois has a prospect for 9 million bu more. There is a slight improvement in Michigan, but notably about a 10 million reduction in Ohio prospects, with also 6 million less indicated for Indiana.

In the general price decline which occurred yesterday corn was quite weak, but the yellow cereal was helped somewhat this morning by further export business and hedges that were removed. There has been generally fair weather reported over the Canadian Provinces and our spring wheat belt, also mostly clear in the Southwest during the past twenty-four hours, but heavy rainfall occurred over the corn belt East of the Mississippi river. The outlook is for mostly fair all sections and somewhat warmer. Reports coming in from Canada are mostly on the bright side. An improvement in total moisture conditions for the three Prairie Provinces took place during the past week. According to the Searle Grain Company's precipitation report, condition of the three Provinces weighted for wheat acreage now stands at 94% of normal compared with 90% last week and only 72% at this time a year ago. Sanford Evans, a Canadian expert, said that spring work had commenced in Manitoba in most districts and seeding would be general this week. For Saskatchewan, limited progress has been made, but with present favorable weather conditions work would get under way in most sections this week but would not become general over the Province until about May 15th, or possibly later. Field work in Alberta has been delayed by rains but yet up to 70% of seeding has been completed. Spring work should become general in the southern section this week but will not be general in the central and northern sections of that Province until about May 20th.

Primary receipts of wheat amounted to 2.6 million bu, the same as last week, and compared with 921,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 307,000 bu. When the visible supply is posted Monday it will compare with a shrinkage last year of about 1 million bu.

Trade was rather light again today, there was weakness at times, but after several days of successive declines in the market, there appeared to be a little short covering, but the close was barely steady. It seems that flour business has not picked up much, despite lower prices for wheat. As the Southwestern Miller points out, the break was more effective in encouraging bakers to hold off for a further setback.

Corn acted quite a little better, and there is some possibility that Chicago may lose some of its stocks, as exporters have large commitments, and may ship grain eastward. There was no special feature in oats, but the market had a firm undertone with commission houses and local shorts moderately busy on the buying side. In addition to some corn business worked to the U.K., we understand that further exports are in prospect.

UHLMANN GRAIN CO.

[illegible]

[illegible]

[illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 14, 1951.

For a period of several weeks during April we had rather firm markets, and this stemmed from the fact that prospects for the new crop were not too favorable, but as we have pointed out several times in our letters, forecasts that are made so early in the season must be regarded as tentative. It is particularly difficult to try to appraise the number of bushels that may be harvested in any state when there has been so little growing weather. For this reason even the last government report, which indicated a winter wheat crop of 682 million bu, is subject to a good many changes, although the Department of Agriculture has had vast experience in trying to make comparisons with other years when similar conditions prevailed. As time goes on crop reporting is becoming not only more technical but likewise more accurate. Still Nature has a way of changing things, and since mid-April there has been not only an improvement in temperatures but likewise a fair distribution of moisture in a good many districts. Over the weekend there was quite a little rain, some of it heavy, reported in the western part of Kansas, as much as 3 inches at Liberal and 2 inches at Garden City. Abandonment in some of those areas had been heavy; consequently, the delayed precipitation may not do as much good, yet it will restore moisture to the ground, and if the showery condition develops in the Texas Panhandle, it should likewise enable farmers to plant grain sorghums to take the place of some of the wheat which was ruined.

When our market opened this morning prices were somewhat lower and it has been felt for some time that with the large quantity of free wheat in the reserve stocks, mills would have no difficulty in getting their supplies for the balance of this season. Furthermore, if the price decline is not severe there may be quite a little new wheat coming into commercial channels rather than going into the loan. As a possible offset there is bound to be quite a little export business when the new IWA program is announced in June. The latest available estimates indicate that supplies of wheat remaining on or about April 1, 1951 in the four major exporting countries for export and carryover at end of their respective crop years amounted to 969 million bu. At the same time in 1950 there was 873 million bu available. This is a fairly satisfactory statement in view of the fact that exports were quite heavy, but it also must be taken into account that there is an unusually large proportion of low grade wheat in both Canada and Australia. Therefore, it is rather difficult to come to such definite conclusions on this comparison.

There were a few interesting comments by Broomhall which we sent over our wire this morning; one to the effect that the dry areas in east Australia had been partially relieved by beneficial rain in the southwest corner of Victoria, but apparently it is still very dry in New South Wales and plowing is delayed. Moisture is good in West Australia. Also an item that Nehru admitted that while food was scarce in Bihar and Madras, no real famine conditions prevailed in India.

The Winnipeg Free Press report anticipates a decrease of 716,000 acres for wheat in the Prairie Provinces, with nearly a corresponding increase for oats, barley, flax, and rye. Wheat acreage for the Provinces should be slightly over 25 million, which we believe is about 3 million reduction from the peak plantings some years ago. Seeding is well under way in most southern districts but will not be general in central and northern areas for another week.

When the visible supply of wheat was posted, there was an increase of 2 1/2 million bu, which is rather unusual for this time of the year. However, receipts lately have been heavy and total stocks now in all positions are 162 1/2 million bu or 9 million more than a year ago. Corn showed a decrease of 3.6 million bu leaving 52.3 million in the various markets compared with 42.6 million bu last year. Oats increased nearly a million bu due to imports from Canada with 12 1/2 million in all positions or 1 1/2 million bu more than last year. Chicago wheat stocks declined 293,000bu to 4.7 million bu. Corn locally decreased 530,000 bu to 14.8 million bu. Oats in Chicago increased 1,158,000 bu to 4 1/2 million bu. Rye showed a further decrease of 236,000 bu leaving only 1.6 million bu here plus 261,000 bu in bond. Bean stocks in Chicago decreased 301,000 bu leaving 2.6 million bu here.

Trade was not very heavy, in fact, at times there was hardly any feature to the market. Mills were complaining of poor orders for flour and new inquiry is apparently at a standstill. However, as price of wheat declines relative to the probable loan, there may not be much pressure and a good many people are figuring that when the July and August allocations are announced that it will mean considerable export business at least until the next Canadian harvest which may then bring greater competition. Secretary Brannan conceded that he favors a system of slowed-up parity prices combined with subsidies.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 15, 1951

There was considerable publicity given to Secretary Brannan's statement with respect to his wholehearted support to administration demands for a system of slowed-up parity prices combined with subsidies in order to hold down consumer prices on agricultural products. As we view the situation, even granting a shift on part of Mr. Brannan, there is no assurance that either Congress or the Farm Bloc will go along with this thinking. The Secretary had to choose between supporting farmers or President Truman. Considering that parity prices have been going up constantly since 1938 and have been so largely responsible for the high cost of living, it looks as though he had to take a stand even with the possibility of offending agriculture. Nevertheless, a pattern has already been set with respect to some of these support levels for next summer's crops. On basis of the present wheat parity, which is $2.40, the farm loan at 90% of parity would be $2.16. To this we would have to add probably 32¢ to arrive at a Chicago loan basis. It might even be a cent higher in view of the fact that freight rates have increased since the last computation was made For conservative purposes, we may then assume that the Chicago loan price will be at least $2.48 a bu. There is one difference, however, in comparison with the past years: that is, that terminal storage charges would be paid by the farmer and not absorbed by the government. So for all practical purposes the Chicago loan might not be over $2.37 to $2.38 a bu.

Some will argue, and correctly so, that a fairly large proportion of the wheat goes into farm storage rather than in terminal warehouses. Last year, for example, of the total impoundings of 196 million bu, 56 million was stored on farms, 131 million in warehouses, and there was 8 1/2 million bu under purchase agreement, the latter probably being in the same proportion between farm and terminal. It indicates, however, that probably one-third of the wheat would not be subject to these charges where the farmer has adequate storage to take care of grain. Two years ago, with a total of 379 million bu impounded, 76 million was on farms, 256 million under loans in warehouses, and 46 million under purchase agreement; in that case the percentage of farm storage was somewhat smaller. What we are trying to say is that one has to consider and evaluate the significance of loans, which are now so well understood, and which have had a bearing in slowing up declines whenever loan levels were reached although in many cases the price was pierced.

The weather overnight was again very favorable for crop development. They had some nice rains in the Southwest, with more to come. Showers also occurred over portions of the Northwest and over western sections of Nebraska and Iowa but East of the Mississippi river skies were clear. The five-day forecast suggests higher than seasonal temperatures over the corn belt, probably 6 to 10 degrees warmer than ordinarily, with only occasional showers here and there, so that planting operations are fully up to schedule. According to the University of Illinois, in some places a little ahead of schedule, so that caution is suggested in order that planting be not too early to give encouragement to the corn borer. According to the Occident Elevator report weather throughout North Dakota and Montana the past week was ideal for field work. Other comments by this concern were mostly on the favorable side.

Primary receipts of wheat amounted to 2.2 million bu compared with 3 million bu last week and a million bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 11,000 bu.

Trade was again moderate. There was no great feature but after two weeks or more of declining markets we were certainly due for a technical rally if nothing else. It only required small-sized orders to give us the advance. During the session rains were reported in a number of southwestern areas, and those in the Texas Panhandle are particularly pleasing, as it should afford a chance to plant milo when the time comes. The domestic milling demand is still very poor, but we never pay too much attention to this as our home consumption is constant, and does not vary a great deal whether prices are high or low. Farmers in the Northwest are probably now planting and country advices meanwhile are very light. Moreover, the weakness in the market has discouraged selling. Corn was inclined to be weak. Quite a few people are bearish on this cereal, figuring that some of the oat acreage may go into corn or beans.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 16, 1951.

Those who have studied weather conditions and statistics over a period of fifty years assure us that over-all temperatures and moisture conditions have not changed much. True, there are some extremes, and our newspapers have noted at least once during the month that it was the hottest May day on record but yet this seems to average out pretty well, although as far as rains are concerned, distribution is very important. The fact that we get about 31 inches annually in the Chicago territory, making the allowance for 10 inches snow as an inch of rain, does not change the picture to any extent. West of the 100th Meridian they ordinarilly receive only 17 to 18 inches moisture in a year; therefore, it is even more important that the precipitation comes at a propitious time. Nature is apparently averaging out now for the prolonged dry spell that has occurred over the Texas Panhandle, and according to our reports this morning many observers fail to recall a time when the rain was as prolonged and persistent over many areas as the last one. As much as 7 1/2 inches fell in parts of the Panhandle, which, of course, should make conditions perfect for the seeding of milo, but might wash out some of the cotton that has already been planted. There was also some nice moisture in Oklahoma. Rain that fell in Kansas was probably the heaviest in the western sections, which is not too important as abandonment out there is the greatest, but in central parts of the state, such as Huchinson and Wichita, rains measured from 1 1/2 to 2 1/2 inches, and this is all extremely good for the best development of the crop. There is still a good deal of pessimism expressed about the final outcome for that state, and time alone will tell to what extent recent good weather has improved the yields, as the winter months were very hard on the plant, and later insect damage was a good deal heavier than we have experienced in a long while.

Trade did not pay too much attention to moisture but rather was impressed with the fact that July export allocations are to be announced momentarily. Likewise, there is some chance that some shipments will be made to India, but on the latter much will depend whether the grain is furnished from Commodity Credit Corporation stocks, or whether it has to come out of commercial channels. Very likely our July clearances will be as heavy as facilities permit, and assuming that 40 to 45 million bu will be sold, this is already more or less expected except that with only 14 million bu grain in Texas, and 42 million bu for Oklahoma, it is quite apparent that unless old stocks are available we shall have to go farther into the interior in order to accomplish this job. In any case after 2 1/2 weeks of declining markets, there was a little better undertone generally, and nobody is too aggressive in playing the short side, figuring that until crops are further along, there are many uncertainties ahead.

The Weather Bureau's 30-day outlook for the period of mid-May to mid-June calls for temperatures averaging above the seasonal normal over the eastern half of the nation, with greatest departures in the Ohio and upper Mississippi valleys. Cooler than normal is expected west of the Continental Divide except for near-normal along the Pacific Coast. Rainfall will exceed normal from the Mississippi valley westward to the Pacific Coast, and subnormal precipitation is indicated for the eastern third of the country. We mention this although have some reservations on forecasts made that far ahead.

Broomhall says that unseasonably cool temperatures continue to retard crop development in parts of Europe, although in the South temperatures have been favorable for growth. It has been cold in France; therefore, development was slow, but apart from this the wheat plant is said to be in satisfactory condition and with favorable growing weather a good harvest may still be realized.

Primary receipts of wheat were 903,000 bu compared with 1 million bu last week and 339,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 52,000 bu.

Trade was not particularly heavy. Early there seemed to be better commission house buying and some traders were a little encouraged by the fact that there was export business in corn with several cargoes taken by Holland; also, the domestic business picked up a little while offerings from the country were extremely light. However, there is not much commercial business in wheat and while the mills are doing a little more it is still dull. Some selling on the advance caused sharp set-backs late in the day with the close weak and at nearly the lowest level of the day. Brokers who sometimes represent processing interests were said to be big buyers of December corn today. Professional liquidation found markets poorly supported, especially with the great weakness in oats.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 17, 1951.

After the close yesterday, the government published July export allocations, which consisted of 59.3 million bu grain, and this compared with 66 million bu average for the four preceding months. These figures comprised 37.3 million bu wheat and about 22 million bu coarse grains. It was stated, however, that the cut was made owing to the fact that new crops would be available in Europe and many other parts of the world but that the August program, which would include wheat under IWA, is expected to be larger than for July. Some, including ourselves, had figured that July allocations might reach a point of 40 to 45 million bu, but even the smaller quantity is quite sizeable when it is considered that production in some of the southwestern states adjacent to gulf ports has been cut drastically from other years.

Yesterday's break in the market was largely technical, and there was no special news to bring about such a depressed feeling, particularly since prices are getting down to a level now where the loan is bound to make itself felt, and notably so in the case of wheat that may be stored on farms. We do not believe too much attention was paid to Erickson's report published in the Kansas City papers this morning. This party claimed that he had not changed his mind since the government May crop report had been released. Ours is a free country, and every man is entitled to his opinion. His figures, as well as those of the government, will finally have to stand on their merit, but we do feel that as an able crop reporter he weakened his case when he purportedly said that government reports are issued for the purpose of maintaining the morale of the economy. Our observations of more than thirty years bring us to the conclusion that the government probably has better methods of obtaining crop information than private individuals who have to ride from one part of the country to the other in order to gather material. Even those who have many agents in the field do not have the wide coverage which the government does, but beyond all we have found that federal reports try to do a good job, not being influenced by any of the opinions or hopes that various bureaus may have with respect to their programs. We agree with Erickson that crop reporting is a serious business but the fact that he has driven 40,000 miles throughout the southwest winter wheat crop area since last October does not in any way detract from the fact that the county agents and others who are trying to do an efficient job for the government are none the less serious in their efforts to bring truth and factual data to those in Washington, who are likewise engaged in the business of compiling an appraisal of crop conditions, the same as he does.

There had been considerable rain again overnight in many of the southwestern areas. With flood conditions in some sections of the Texas Panhandle they probably had the greatest amount of rain within a short period that was ever experienced.

Our wheat and flour exports during the past week were given at 8.3 million bu by Broomhall, which brings the total since July 1st to 264 million bu, or only 1 million bu less than the preceding year. It is now evident that if shipments continue at this rate, we are going to have heavier clearances than a year ago, probably 325 million bu all told. This may cut a little more into our reserve stocks, but should still give us about 400 million bu in all positions on July 1, 1951, and our estimate is that probably half the wheat will be in free hands.

Primary receipts of wheat were fairly heavy at 2,639,000 bu. This compared with 3 million bu last week and 800,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 40,000 bu.

The wheat market was mainly firm, with the exception of a break shortly after the opening. Apparently some of the weaker lines have been disposed of and gradually there might be some hedges taken out of the pit against new export business. However, domestic flour trade is very slow and it seems that most of the business is from hand-to mouth although inquiries were slightly improved. Corn was likewise firm with no special feature. A few cargoes were sold for export and this seems more or less of a sustaining factor, particularly at a time when offerings from the country are so light. Oats were independently weak and despite all the emphasis on the May delivery with the heavy tenders that appear to have been taken speculatively, there is still a partial carrying charge from May to July. There was some commission house selling of this commodity early, but later on trade became rather dull.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 18, 1951.

When the International Wheat Agreement was being seriously considered the early part of 1949, many claimed that the objectives were entirely sound, for it was then stipulated that the prime purpose was "to assure supplies of wheat to importing countries, and markets to exporting countries at equitable and stable prices." However, we said at that time that the question involved the whole field of commodity prices, labor costs, taxes, rate structures, etc., and that it was much too complicated a problem to be solved by agreed international prices for wheat. The Pact has been operative for nearly two years now, and we have learned, much to our sorrow, that guessing what the future would bring forth could not be accurately accomplished. Instead of having surpluses weighing on the market, Canada had a failure crop, with half their supplies unmerchantable; therefore, the demand from here became tremendous, and we probably would have sold as much wheat as we cared to without offering a big subsidy of 50 to 75¢ a bu at the expense of the taxpayer. In fact, we have had to allocate export supplies in order not to run into a shortage at home.

However, we were not the only ones that guessed badly. According to Major Strange, Eastern Canadian wheat growers are not subject to IWA as are the Prairie farmers, and the result is that those eastern farmers are receiving at their country points for quite inferior wheat 34¢ a bu more than Prairie farmers can possibly receive with both their present initial and final payments under the Agreement. Many are wondering why Prairie farmers alone must subsidize all the people of the world with cheap wheat while the Ontario farmers are freed from the obligation. Major Strange said that the truth is that these results stem from bad guesses made by those who were responsible for the British-Canadian Wheat Agreement and the International Wheat Agreement, and he feels quite satisfied that such guesses for future prices must always be bad; in fact, always in the interest of consumers and never in the interests of producers. We stated in 1949 that it was doubtful if agreements which attempted to forecast prices and price ranges over a long period of years could successfully resolve the conflict of interests between buyers and sellers.

Before our market opened there was little to guide it except that news from Korea was rather discouraging. Massive assaults by the Red Army without regard to the protection of life kept the Allied Forces engaged on a wide front, and while our line was pierced in one sector, we seem to be withstanding the attacks without too much punishment, but in any case casualties are bound to be heavy.

The Canadian intended acreage as officially given was about in line with expectations and seeding operations are continuing well. Various districts over Alberta claim 80% of the work completed, and with the present clear weather we believe that they should be far ahead of last year. This is important in order to avoid damage from frosts in autumn, although very seldom do they come as early as last season. Broomhall thinks that on the intended plantings Canada should have a wheat crop of 425 million bu in 1951 compared with 461 million bu in 1950, of which much then was not millable. At present he figures that weather conditions are better than normal.

There has been further rain in the Southwest, and the forecast was for scattered showers in those areas, as well as in the spring wheat districts. We have not heard any complaints as to whether the heavy rainfall in portions of Oklahoma and Texas has damaged crops, but in any event rains in the Texas Panhandle should promote a heavy planting of sorghums when the time comes.

Primary receipts of wheat were a little smaller at 1,625,000 bu compared with 2,641,000 bu last week and 863, 000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 56,000 bu. When the visible supply is posted on Monday it unquestionably will fail to show a big increase such as we had last year when stocks in all positions went up 4.6 million bu.

The trade was not too heavy, and while there was a little improvement in milling circles not many hedges were taken out of the pit. We would say that in view of the unpleasant war news that wheat gave a poor account of itself and this may have been due to fine weather and reports of good seeding opportunities in the spring wheat areas. Beans were somewhat lower. A big cotton crop in Texas is very promising. Oil and meal have been declining and it looks very much as though beans were high-priced in view of these conditions, particularly the new crop which is selling a good deal higher than at this time last year. Coarse grains also shared the weakness of other grains.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 21, 1951.

Weather over the weekend was just about perfect, May is often a month of beautiful scenery, and for that reason May 10th has always been the calendar date for selling wheat futures. In so many years it works out that way, particularly if there is insufficient export demand to absorb selling. Apparently there was a stale long position in the market, which has been liquidating gradually. This probably more than real aggressive selling has been a factor now for two weeks or more, and there was further evidence this morning that speculative buying was slack despite artificial conditions that still surround the market.

In the next few weeks export trade is almost sure to enlarge, and whenever that period arrives there may be better support, particularly as wheat is selling around the loan level, although there is never any assurance that a price decline will be halted by that factor alone. We are witnessing that very situation in corn and some of the re-selling has been by disappointed holders who are now told by the Department of Agriculture that we are facing a larger carryover on October 1st then was expected earlier. They admit that a reduction of maybe one-fifth fromthe record of 860 million bu on October 1, 1950 is in prospect, which would mean a reserve stock of about 700 million bu. This is in line with our figure and is considerably more than the 500 million bu figure that was mentioned earlier. BAE also states that the April 1st stocks included 400 million owned by CCC and about 150 million under the loan. However, redemptions are apt to be quite material, so that by October 1st we may have as much in free hands as normally, the average carryover often not amounting to over 250 million bu, so that the quantities tied up under the government hoard may not have too much effect. The Department now figures that domestic corn consumption during the 1950-51 season is expected to total 3.2 billion bu, or close to the record consumption of 1949-50. Feeding of livestock included in the above would be 2.9 billion bu, which is actually a little smaller than the year before, and quite surprising in view of the large number or animals. The quantity used for domestic food and industrial products so far this year has been bigger and will probably total around 30 million bu more for the entire crop year.

There was some further export business overnight but this failed to stimulate enough buying to prevent early declines in the market. As for oats concentrated holdings of the May future have attracted so much from Canada that all told 13 cargoes have come to this country in the last month or so, and most of the deliveries are apparently being taken by one house.

Southwest rains were somewhat unexpected. More moisture is now in sight for some of those districts but it will be mostly clear over the corn belt, and also clear conditions will set in over spring wheat territories following scattered showers. There is a good deal of comment about the relatively small winter wheat crop in prospect. Should we finally have a yield of 700 million bu, it would be a reduction from many of the recent seasons when results were better. Still one should not forget that the ten-year average prior to the war for combined winter and spring wheat crops was only 740 million bu. Thus we are still in an era of abundance, provided, of course, we do not strain ourselves too much in trying to sell wheat for export under the subsidy. Taking into account a likely carryover of 400 million bu wheat, and assuming that we may have total production of a billion bu, we could still take care of home utilization and provide 350 million bu for export during the next crop season without cutting too sharply into our reserves. This would still leave us over 300 million bu on July 1, 1952. With all this in mind the inspiration for buying is not too great, although this could change if there would be any damage, or even crop scares, in the spring wheat territory or in Canada, or it might also curb some of the bearish sentiment now existing when hedges against foreign sales make their appearance in volume.

The visible supply of wheat decreased 1.8 million bu leaving 160.6 million bu in all positions compared with 148.7 last year. A year ago there was a decrease of 4.6 million bu. In error, it had been boarded on the Exchange last Friday as an increase of 4.6 million bu, which we mentioned in our Market Letter, and we are sorry for this error. Corn increased 272,000 bu and there is at the present time 10 1/2 million bu more in all positions than last year. Oats showed an increase due to imports. The total is nearly 13 millionbu against 10.2 million bu last year.

In today's trade, July beans came off the ceiling and there was a fair amount of trade. Early markets showed great weakness but there were some recoveries later. However, we again find peace rumors mentioned, nothing too definite, but this may have been responsible for the fact that recoveries were not

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 22, 1951.

Before we had world-wide inflation, and when supply and demand factors were in vogue, governments lost comparatively little money through handling of grain. In fact, with some minor handicaps which arose from time to time, farmers throughout the world were in a pretty good frame of mind, while consumers likewise felt they were being fairly treated. Governments could do a great service to the world if they would attempt the fewest possible controls when protection finally is necessary, and by seeing to it that such controls are applied intelligently and in a manner calculated to do the least possible harm to the trade. Above all futures trading in countries like Argentina and England should be restored because the services of a futures market cannot be obtained by any other means. The lesson to be learned by various governmental agencies or commodity pools is that all artificial methods are finally doomed to failure, and the secondary consequences are never appraised at the time some of these schemes are instituted It is not possible for any one man or any one committee to weigh up every factor in the international field to judge correctly all the delicate phases of the seasonal supply and demand factors. The importing countries naturally want cheap prices in order to hold down living costs. We note that in the 1947-48 season, Britain lost 89.6 million pounds sterling on trading in cereals and flour; the year before the loss amounted to 57.3 million, and in 1945-46, 59 million pounds was lost. We do not have more recent figures but for that short span of time the taxpayer had to foot a bill of $577 million, which is certainly no small matter; probably if prices had been permitted to take their natural course the loss through the consuming element would have been no greater.

In the surplus countries we have seen at home what methods have been pursued in order to keep prices up, but subsidies were then paid to effect exports. Now word comes from South America that grain producers in the Argentine are to share in profits from export sales. These profits will go to growers after deducting handling costs and setting aside a reserve to assure the successful marketing of future crops. The whole aim is to encourage increased acreage as there has been widespread discontent over prices paid farmers in recent years. Actually, there was considerable threat that the planted areas would be greatly curtailed. That government had difficulty in buying corn at $1.22 a bu, and now the price will be increased to $1.37, with the promise of a share in ultimate profits. This may do much to induce deliveries to the government's official agency rather than selling on the market for domestic use at the current rate of $1.52 a bu.

There had been quite a little rain again over southwestern districts, more to follow, and wet conditions are also prevalent over the corn belt but it will clear tomorrow. Meanwhile conditions Northwest are mostly settled. The Peavey Elevator report claims excellent progress was made with farm operations during the past week, crop has gone into the ground in fine shape, and for the most part is getting off to an excellent start. There are, however, a few areas where rain is needed.

Prices were somewhat higher when we opened, as there was some improvement in export demand. A cargo of wheat was worked from the Gulf, also a cargo of spring wheat, and some domestic flour business seems pending. There was also business in corn, and several cargoes of Canadian feed barley were sold abroad, presumably to France. There is some talk now that opposition will develop to the sale of wheat and other grains to India for relief unless we get some vital materials in exchange. If the deal goes through wheat would probably compose at least 60% of the exports and the balance would be in the form of grain sorghums.

Moisture reports have benefited crops in the Argentine but have retarded some wheat and other grain plantings. According to Broomhall, there were no reports of any change in Australian agricultural conditions. Dryness has been causing some delays in planting but if not too prolonged acreage will be equal or possibly somewhat larger than last year.

Primary receipts of wheat were 1,725,000 bu compared with 2,237,000 bu last week, and 1,211,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 27,000 bu.

There was a much better undertone in wheat, not only the export trade to which we referred earlier, but flour business was considerably better; in fact, on the break purchases were made as far ahead as July and August positions. Som of the eastern chains must have returned to the market, and this meant covering of hedges not only here but also in other markets. Quite a little attention was paid to evening-up transactions in the May futures, but corn seemed quite indifferent, and [illegible] failed to follow the upturn in some of the other grains.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 23, 1951

There is an old saying in the trade that news does not make a market but rather a market makes the news. This, of course, is not altogether true, but yet when we had a series of declining markets, especially in wheat, for a period of two or three weeks, all the bearish factors came to the foreground, and many of the more bullish ones were discarded. For example, many people belittled the fact that the loan would have an effect, and pointed out that on several occasions in the past wheat prices had gone far below the level of government support, at least for a time. They also called attention to corn prices for the December delivery, and that future is selling probably 10¢ lower than the probable loan, all of which is true, but yet we cannot ignore the one basic principle that so many farmers have become accustomed to the loan and have taken advantage of it; consequently it is quite a potent factor. While the market was declining many people also were unmindful of the potential domestic buying that might appear at any moment, and the latter came to the foreground yesterday when suddenly milling trade expanded with probably 5 million bu of hedges taken out of the various markets, including Minneapolis and Kansas City.

Everyone has been prepared for some improvement in the export outlook although business from abroad is developing rather slowly, and we understand that there has been a delay in announcing the subsidy under IWA. However, we can pretty well figure on 120 million bu being cleared during the first three months of the crop season, and the amounts might even be greater.

Before our market opened this morning there was a report circulated by the Southwestern Miller that some discoloration of wheat plants and other small grains seemed to be general over Kansas and was causing concern with the cause not fully determined. This despite the fact that crop advices from the hard winter wheat belt were predominantly optimistic as a result of recent generous rains and warm weather. This too, is something that cannot be too definitely appraised at this time, although we have called attention often in our letters to the fact that crops are not finished in May, and, of even greater importance will be the outcome of the spring wheat crops both in our country and in Canada.

Broomhall reports there have been no serious crop complaints recently, although growth in many European countries remains backward. All indications now point to a smaller crop on the Continent than last year. In the U.K. prospects are quite spotty, with acreage well below earlier expectations and the harvest is expected to fall considerably short of the goal. With further rains in Western Germany and some cool temperatures in France, sunshine is needed now, together with warmth, but one consoling feature is that abandonment generally for winter grains has been rather small. Spring wheat plantings were somewhat restricted by unfavorable weather.

Here at home we are getting a few more reports about insect damage in various parts of the country, some complaints of greenbugs in Illinois, but weather seems to be almost perfect. The rains in the Southwest have halted, skies will be generally clear for all parts of the country, with higher temperatures which may even reach the high 80's in the Northwest, so that before long moisture in those sections will be needed.

Primary receipts of wheat today totaled 723,000 bu against 903,000 bu last week, and 532,000 bu comparable day of last year. So far this week Kansas City and Minneapolis stocks show a decrease of 186,000 bu.

The Kansas weekly state report mentions there has been good growing temperatures, and that damaging effects of floods have been offset by benefits. Wheat is heading as far north as the Kansas River. Oklahoma reports that wheat is generally headed and harvest will start in the Southwest in about a week. Texas, which has a very limited standing wheat acreage, will also benefit from rains, although many stands are thin, and weeds may become a problem. Otherwise, there was very little news in the market today.

The Southwest Miller reported that flour sales had slowed down abruptly, with the majority of bakers and shippers showing no enthusiasm for booking ahead.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 24, 1951.

Late news yesterday disclosed that the House Ways and Means Committee had voted a 12 1/2% increase in income tax for individuals. Other boosts were made on corporations, etc., and apparently the cost of doing business is increasing, besides the necessary expenditures for armament. It is really high time that some of the suggested economies be put into effect, because no government founded on the principle of individual liberty can guarantee jobs, prosperity, stability or economic security; nor can any government create prosperity by redistributing the existing income or wealth. We have gained a preeminent position amongst nations of the world by always maintaining strength at home, and the only way we can continue on this plane and maintain a high standard of living is by producing relatively more goods and services at lower costs, so that all can benefit by their own efforts. In that way, the status of all classes from the lowest to the highest is improved. Conversely, by tearing down the strong we cannot build up the weak. The only real way for the government to help in these matters is generally to keep its hands off the economic process.

The stock market in recent days has been declining due to a number of factors, possibly consideration to the matters that we have just discussed; also, the piling up of stocks and inventories, and yesterday commodity futures broke to the lowest levels touched since December 14th. The rapid retreat of the Chinese and North Koreans with our forces being able to push them back following their tremendous losses may have also brought to mind that peace feelers may soon be heard. The grain market naturally responded to all this news, and with weather almost perfect over the belt there were further recessions this morning, even though a good many commodities were selling around the probable loan level, with new crop corn in particular selling below that figure. In our conversations with Oklahoma parties it would seem that improvement has also taken place in that state despite all the ill effects of adverse weather that was sustained the early part of the season. Qualified men from the University of Illinois who were out in the field are definitely of the opinion that there were greenbugs present, which is probably the first outbreak in about forty years but found them mostly in oat territory. This was reported yesterday and had some market effect but was rather overlooked today with other matters coming more to the foreground.

The milling demand, which on Tuesday was so brisk, also fell off, and hardly any hedges have been taken out of the market since that time, Soybeans, following weakness in oil and meal markets, contributed to the generally bearish feeling. Some who were prepared for a cut in the corn carryover to 500 million bu are now impressed with the government's reversal of thinking that there may be as much as 700 million bu on October 1st. The Chicago corn-hog ratio for the week ending May 19th was 11.6 vs. 11.5 last week and 12.9 last year. Country movement in the Southwest has fallen off sharply, and this has been responsible for a better wheat price with the higher proteins showing the greatest strength.

According to Broomhall wheat and flour exports during the past week were 8 1/2 million bu, and since July 1st clearances have amounted to 272 3/4 million compared with 268 1/2 million a year ago. Thus it seems reasonable to expect that we may exceed exports of last year by some 25 million bu. This, plus business which is bound to develop on basis of new-crop positions, should have its effect finally, although for the time being orders from abroad are rather slow in developing.

Primary receipts of wheat amounted to a little over 2 million bu. This compared with 2.6 million bu last week and 674,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 287,000 bu.

There were some recoveries after liquidation carried further, but the market had a rather weak undertone. Washington denied peace feelers. Mills seem to be getting only a limited inquiry and apparently the recent business has had no follow-through. Seeding in the Northwest is gradually being completed except for northwestern Minnesota which reports about 80% accomplished, about the same in northeastern North Dakota with probably 70 to 75% seeded in northwestern North Dakota and northeastern Montana. Rainfall last week was confined to scattered showers in North Dakota and Montana, although South Dakota and Minnesota had some good moisture also. There are some dry spots developing although very little real damage has been sustained yet; thus the June rains will finally tell the story. Corn and other grains naturally were influenced by the bearish sentiment in the leading grain.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 25, 1951

The House has apparently approved the sending of 2 million tons grain to India at a cost of about $190 million without any strings attached. The vote was 293 to 94. The food must be purchased in the United States. At about the same time foreign aid totaling $8 1/2 billion was asked for by Mr. Truman, and he requested Congress to vote that amount to help friendly countries so that they could build a powerful front against Russia. These are probably all worthwhile causes but we are reminded of a letter from one of our friends who stated that "we must recognize also the definite limitations of international philanthropy. Any nation can grow strong only by producing more goods and services under conditions of individual freedom and stable government. Only by helping others to help themselves can we raise world standards of living without lowering our own." He then quoted George Washington, who long ago stated, "There can be no greater error than to expect or calculate upon real favors from nation to nation. It is an illusion, which experience must cure, which a just pride ought to discard."

When our market opened this morning, it naturally felt the effect of these increased shipments which might take place, although weather is practically perfect. There had been some showers over parts of Montana, also moisture in Minnesota, western Iowa, and eastern Nebraska, with some rains reported a little later over sections of central Nebraska. We have pointed out so often that crops and vegetation probably look better in May than almost any month of the year because of the lush freshness, and particularly now when we have observed the results of recent rains. Nevertheless, ECA allocated $2 1/2 million to Western Germany for the purchase of rye, and a million dollars to Holland for corn, which brings to mind that under the stimulation of these grants we are probably going to have heavy shipments; thus even with ample supplies at home we have to figure to some extent on the various artificial factors which are present. The loan too must be recognized, and for that reason we are not as bearish on December corn as some of our friends in the trade, because we believe that impoundings might be extremely heavy if the farmer finds it more to his advantage to seal his corn than to put it on the market.

The one thing that has surprised us this season is that corn feeding has not been heavier, despite the large number of animals in the country. Possibly the substitutes, and particularly milo, have had some influence in that direction. Southwest wheat premiums strengthened again yesterday due to further sharp contraction in country movement along with more active milling demand. This all suggests, howeve: that when the new crop is available there may not be the rush to buy. Many operators probably feel that with a small wheat crop in Oklahoma and a failure crop in Texas, early exports may take a good portion of their supplies, and they are accordingly making provision for this.

The University of Illinois, which recently spoke of greenbug infestation, now feels that the damage may have been confined to a belt 30 to 50 miles wide from the Mississippi River to close to the Indiana line. Unless there is a spread of this menac it may not be too serious.

Primary receipts of wheat were 1,575,000 bu compared with 1,625,000 bu last week, and only 666,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 7,000 bu. When the visible supply is posted on Monday it will compare with a decrease last year of 1 1/2 million bu.

News pertaining to the crops was mostly favorable; the same refers to Canada Total moisture now for the three Prairie Provinces, according to the Searle report, stands at 92% of normal, the same as it was last week, but a year ago it was only 74%. Alberta, the large province, has a moisture condition of 101% of normal, which is certainly wonderful. All crop districts in Alberta, with one exception, have enjoyed better than normal rains from April 1st to May 21st. The 5-day forecast for the corn belt and our Southwest was good.

Not too much attention was paid to this news, and as the session progressed there seemed to be better investment buying of wheat and corn. Cash corn premiums advanced 1¢ per bu, and beans which were weak early also recovered. On the whole the market had a very good undertone. India's Prime Minister Nehru has recently announced that India would not trade atomic energy materials with the United States for wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 28, 1951

The news from Korea continues to be of a very optimistic nature. Our gains have mounted and apparently some of the Chinese Reds were in a frenzy not only willing but eager to surrender in order to get food and to avoid annihilation.

This may have had a little effect on the market although the trade was watching the Southwest weather rather carefully. On Saturday there had been a forecast for a rather severe drop in temperatures, and it was feared that freezing temperatures might occur over northern sections of Nebraska and Kansas. Nothing developed in that direction; in fact, the thermometer readings were a good deal higher than had been expected, and as far as we can see weather everywhere is still good for the best development of the crop, although there can be no change in the heavy abandonment that had been caused by adverse weather during the winter. Final results of the winter wheat crop are still being disputed but there are those optimists who are willing to figure on 700 million bu or more, which together with a spring wheat crop of 300 million bu, would give us a total of a billion bu or not too much less than would be needed for home utilization plus exports. If we finally ship 350 million bu, which is the government goal, it would require some cutting into the reserve stock, but not too much, and then a year from now we would again have ample supplies, particularly if a good percentage would be in the hands of commercial users.

Economically there is not too much confidence in our policies and the period of heavy taxation will face us for the next two generations, at least as we make great preparations for our rearmament program. As yet there has not been sufficient economy practiced in non-defense operations to free us from the burden of heavy debt. An increase in the tax structure now seems inevitable, but as one economist points out taxes should be for revenue only and not for reform. Every cent paid out in taxes should be paid grudgingly. He tells us that all government bodies should be kept poor; otherwise the incentive for spending becomes too great. In this connection all citizens should pay something in money, or in goods or services, toward the expense of government no matter how small the amount. But of the greatest importance should be the utmost economy in the operation of our government, with full realization that there can be no waste on their part and no financial assistance rendered by the government without incurring reciprocal and cumulating obligations for the citizens which will ultimately become crushing.

There were a good many rains over the corn belt, also some in the Canadian Provinces, while a few thunderstorms also occurred over portions of Oklahoma and the Texas Panhandle. The forecast is fairly optimistic, and some additional precipitation in our Northwest, including Canada, with warmer temperatures in the East portions tonight but cooler in the West on Tuesday. In Europe Broomhall tells us generally clear and warm weather has developed and thatthe crops are now making more favorable progress following delays caused by unseasonably low temperatures during much of the spring. Most countries have ample supplies of moisture for the time being, and if warmth and sunshine continue it will certainly be a big help in overcoming some of the early handicaps.

When the visible supply of wheat was posted today there was a decrease of 2 3/4 million bu; this leaves stocks in all positions at 157.8 million bu compared with 147.2 million bu last year. Corn stocks decreased 2 1/4 million bu, to 50 1/2 million bu vs 40.6 million bu a year ago. Oat stocks increased 897,000 bu; this is due to importations from Canada, some of which are continuing. All stocks total 13.8 million bu compared with 10.7 million bu last year. Here in Chicago wheat stocks were cut a little to under 4 million bu; local corn stocks were reduced 381,000 bu to 14.7 million bu. Oat stocks increased over 1 million bu to 6.1 million bu. Rye continues to decrease with only a little over a million bu here, although there is 261,000 bu in bond. Chicago soybean stocks were almost a standoff, with 2.3 million bu here.

There was never much strength in grains; as a matter of fact soybeans were sharply lower, and as long as weather continues satisfactorily it is probably going to be difficult to arouse much interest on the constructive side of the market, except for the artificial factors which are present. Some of those were completely overlooked this morning, particularly since there is no sustained demand for wheat or flour domestically, and export business has not yet reached a point where it is making itself felt.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 29, 1951

There was no special grain news overnight. Weather on the whole was satisfactory. There had been some moisture in parts of the Northwest, and it was particularly good in Canada but some of the precipitation there was in the form of light snow flurries. With temperatures rather low for the season of the year, there was some worry that frosts might visit some of our wheat fields where the plant was nearly ready to head out and for a time this was a consideration. When the later weather map was posted, however, the danger was considered nil, and at this season of the year we often have to contend with many unusual circumstances that might arise, particularly where the wheat plant is fairly far advanced. In the Northwest it would hardly be a factor although temperatures seem to be reasonably satisfactory, and according to the Occident Elevator Report during the past week fair progress was made. A general rain would be very welcome over the entire territory, and at a few points moisture is needed; therefore, with the showers that are being reported here and there, prospects seem to be holding up.

In yesterday's decline corn held relatively well and some export business seems to be taking place each day. The feed grain carryover in October 1951 is indicated to total about 27 million tons, which is 15% less than last year. Most of this reduction will be in corn stocks, and the government now estimates that those will be approximately one-fifth smaller than they were last October. Stocks of larger feed grains on April 1st were about 3% smaller than a year earlier. Continued heavy disappearance is indicated by the fact that the number of grain-consuming animals on farms last October was up 2% from the preceding year and the number of roughage-consuming animals was up 3%. Livestock numbers have increased further since then and probably will continue to expand unless feed shortages develop.

It is interesting to note that with rising efficiency of farm labor there are very few complaints even though there are about 1/4 million fewer persons working on farms than a year ago. This reflects partly military requirements, and also strong demand for workers in industry, but with so much of the work in the country now mechanized farmers can cover the ground much more quickly, and we have heard of very few labor shortages, although there might be some difficulties if the trend continues, and particularly during the harvest season.

Generally speaking crop prospects in the Southwest are improving, and this is also recognized by the Department of Agriculture, which stated that: "If production is as high as is hoped for, commercial and cooperative storage is bound to be jammed transportation facilities will be overburdened, and farmers will, in many cases, be forced to rely more than usual on storage of their own."

Not much attention was paid to Broomhall's comment that France was considering the purchase of 40 million bu coarse grains in an effort to accumulate a security stock. Of the contemplated purchases it was hoped that 40% would include Argentine corn, or 16 million bu; we could easily imagine that part of the balance in the form of oats and barley might come from Canada. Some corn might be shipped from here but there is nothing definite at this time.

Primary receipts of wheat amounted to 2,124,000 bu compared with 1,725,000 bu last week and a holiday last year. Kansas City and Minneapolis stocks so far this week show a net increase of 120,000 bu.

Trade was not particularly active but there was a better undertone. Oil markets were a little firmer and also soybeans for the deferred deliveries following the recent sharp breaks. There was no particular pressure in wheat. The milling demand was still rather light and while some flour business was put through business continues to be on the dull side. However, the wheat market seemed to have a better undertone and after sharp breaks such as we have had this is not surprising. We have felt right along that the artificial factors should not be overlooked although we recognize that it may be some time yet before export business develops in volume.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 May 31, 1951

After the close of the market on Tuesday, the Canadian government report was posted. No figures were given but it was stated that wheat seeding was nearing completion in the Prairie Provinces except for some parts of Alberta. Excellent progress has been made in seeding other crops, while germination and growth have been good to-date, but hot windy weather has resulted in some soil drifting on lighter soils in all three provinces. Rains would be welcome for all areas. We are also told that a good soaking rain would be more than welcome for our Northwest, and since the forecast is fairly good in that direction we take heart in the fact that the outlook at this time appears to be favorable.

Parity prices were also published; there was no change for corn. Soybean parity was actually lower while in wheat it advanced 1¢ a bu to $2.41, which apparently means that the loan may be somewhat higher than we had been figuring recently, possibly in the neighborhood of $2.49, basis Chicago, assuming that there is a 32¢ differential between average country points and our market; also assuming that there will be no further change in parity between now and end of June. Account must also be taken of the reduction of 9 to 10¢ a bu for grain stored in Chicago if left here for a long period, so that the net amount to the farmer will not be so much more than last year. This is the first season that warehouse charges were disallowed, the same as for other cereals.

There was a fair amount of moisture over the holiday for the southwestern districts, and rains were heaviest in Nebraska. We can only characterize recent developments as having substantially increased the outlook for this summer's production In today's report issued by the Santa Fe Railway they estimate the Kansas wheat crop in a range between 115 and 150 million bu, but claim that it has improved enough during the last month to reach the high figure with made-to-order weather, and that on basis of numerous reports a crop of 140 million bu seems to be a fair estimate at this time. They go on to say the chances of exceeding that figure are better than the reverse. A conservative estimate by this road makes the Oklahoma yield 38 million bu with the proviso that the final figure may be a little higher. As for Texas they are not much more optimistic than the last government report, figuring on the possibility that the state may produce 15 million bu with conditions favorable between now and harvest. Probably of equal importance is that grain sorghums planted early are making good progress, and that acreage devoted to this cereal may exceed all previous records. Corn in that territory is in the finest condition in years.

When our market opened this morning there were fractional advances, with beans opening stronger, probably reflecting a higher market for cottonseed oil and an increase in prices for bean oil. There does not seem to be much improvement in milling circles, and according to the Southwestern Miller, surprisingly few inquirie were received for the new crop flour with most mills still having to make their first new crop flour commitments. With the improving crop status buyers have been encouraged to hold off.

Primary receipts of wheat were just short of 2 million bu, which was a little short of the last week's movement but compared with 501,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 232,000 bu.

Markets were all rather firm at the start but best prices did not hold. As a matter of fact, when Winnipeg rye showed signs of weakening and the declines there were quite steep it had some influence on prices here. Furthermore lard, cottonseed oil and soybean oil failed to hold the early advances; those commodities became rather weak and this too added to some of the discouragement although the close was mostly firm and not far from the quotations of the previous session. Weather seems to be good, and while many report that soaking rains rather than showers are needed in the Northwest, there is at least some chance for further relief so that altogether no apprehension is felt now as we come into the critical June period. Export business will later be a factor but this is slow in developing at a time when our domestic flour business is almost at a standstill.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 1, 1951

In view of the inflated dollar and the government support of commodities, we have been having continually higher parity with resultant increase in loans to a point that not many people can appraise values any more in their true light. Almost anything that a person buys in the form of goods and services has advanced so materially since 1941 that the picture has completely changed. Despite many protests from housewives of high living costs, nothing much is being done to correct the parity formula, which in large part is responsible for our difficulties. As one prominent economist has recently pointed out: "The times are calling for a return to high ideals in political life, sound economics in public and private life, and for the reaffirmation of a proven and simple code of morals and of ethics throughout our nation....Unless we have convictions and the courage to fight for them, we are lost."

When our market opened this morning the trade was preparing itself for an increase in crop prospects, and there were no particular surprises in that connection when the Galvin report was issued, as his figures had been so far below those of the government. Furthermore, it has been generally recognized that rains during late April and May have added millions of bushels to the potential yields. It is now figured that a crop of nearly 700 million bu winter wheat is in prospect and an estimate of 319 million bu spring wheat gives us a total wheat production of more than 1,018 million bu. If this promise finds fulfillment it would compare very favorably with last year's crop of 1,027 million bu, and it would be the eighth consecutive crop on which production exceeded the billion-bushel mark. There was some doubt for a time whether we could attain such a record, and we recall again that only once before in history: namely, in 1915, could we make a similar boast. While today's figures will not show up too well in comparison with the last ten years, it must be remembered that the average wheat crops prior to the war were only about 740 million bu, and thus with heavy acreages sown to wheat, better fertilizers, improved farming techniques, we may have reached a new era, except for those years when drought overtakes a crop or when other adverse conditions occur. Of course, there have been other changes since the war that should also be taken into account: namely, our big export program, which in recent years has been aided by a subsidy, and this has been extremely costly to the taxpayer.

In projecting the picture for the coming season, the government has in mind that our clearances may reach a figure of 350 million bu, which is still very large, although not as great as two years ago when we had our heaviest exports, slightly in excess of 500 million bu. Nevertheless, we have to remember that there were long periods during which our exports averaged only about 100 million bu. For example, in the 17 years from 1930 to 1947, our total clearances were only about 12% of the crop, and wheat production in that period averaged only 844 million bu, despite some very good years. Of course, there was also the drought period when we were a net importer but the point we are trying to make is that we could only maintain the artificial level by shipping such big quantities abroad. As for the future much will depend upon the outcome of the Canadian harvest, and at the present time moisture condition for the Prairie Provinces is still very good, although a slight decline occurred during the past week. Taking into account reserve moisture and the seasonal moisture, the condition now stands at 90% of the long-time normal compared with 72% a year ago. Conditions in general are good, however, the crop was somewhat late in being seeded particularly in Alberta where continuous rains delayed sowing, and after a bad experience last year when we had the late August frosts, trade may be somewhat apprehensive until crops are actually gathered.

Primary receipts of wheat were about 1 1/2 million bu, or much the same as last week and nearly three times as large as last year when primaries were 565,000 bu. Kansas City and Minneapolis stocks so far this week show a net increase of 212,000 bu. When the visible supply is posted on Monday, it will compare with an increase last year of 2.3 million bu.

Markets were rather dull early. Prices were lower in response to the somewhat bearish crop report. Later on, beans became very strong and there were rumors that Germany was inquiring for this commodity. We understood that the CCC might have been in the market for export and that some beans had been worked yesterday. We were told, however, that only a limited amount was wanted. Nevertheless, the short interest became scared and there was covering with the result that other grains followed suit and wheat and corn prices were led to a higher closing. The demand for flour is still very dull and new export business is slow in developing. However, we feel that this is only a temporary affair and after the subsidy is announced business should increase. A little new wheat is moving in Texas and Oklahoma but the quantities may not be large in view of the fact that crops in those ... with past years. UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 4, 1951

Frost did not materialize over the week-end, and warmer weather is forecast throughout the wheat belt. The thirty-day outlook of the U. S. Weather Bureau calls for temperatures to average above seasonal normals in the Southwest, with below normal temperatures in the northwestern quarter of the nation. Rainfall is expected to exceed the seasonal normal in the northern and central plains, subnormal in the southeastern areas of the country, and elsewhere about normal. Should weather conditions remain propitious we are again facing a season of bountiful crops, with another billion bushels wheat in sight and some increase in the corn acreage over the original intentions to plant. Reports from some of our Illinois offices indicate that 75 to 100% of the bean planting has been completed. There is also a large planting in prospect for both sorghums and cotton in the South and Southwest.

According to the Grain and Feed Dealers National Association there is no food shortage in the U.S., nor any prospect of such shortage. Despite any problem of inflation grains in general are below parity, and grains are the basis of our food supply. Crops in prospect should be adequate for all domestic needs and allow sufficient for export unless this country enters into an unusually extravagant program.

Prices have risen considerably since the outbreak of the difficulty in Korea. However, some fairly large recessions have since taken place. In studying the average price received by farmers on May 15th of this year compared with June 15, 1950, wheat has advanced only 9%, soybeans 12%, oats 11%; corn has gone up 21%, rye 33%, and sorghums 15%. Such items as grapefruit have declined 44%, potatoes 14%, while wool has advanced 89%, cotton 42%, beef cattle 24%, veal calves 28%, and lambs 31%, and these latter items are all above parity. However, milk, eggs, hogs, butterfat, vegetables, and grains with the exception of beans are all under parity.

On the subject of prices, it may be of interest to reflect on the experience in Maine under the Potato Support Program, which led to a great debacle. Under supports the price of potatoes in 1948 rose to $4 a barrel at which time there was a great clamor to drop the support levels and in 1949 prices receded to $2.40. Under further adverse criticism the Support Program was withdrawn and potatoes are now selling at $1.50 a barrel. This has had an adverse effect on real estate but the greatest benefit is the sign that agriculture in that state is again returning to a more normal condition. Aroostook County, which has been one of the largest potato producing counties, is not letting its land lie idle but is turning to items which are sought by the consuming public, namely, meat, poultry products and the grains it takes to manufacture them. Some production is going into oats, wheat, peas, and broccoli, and great interest is being expressed in poultry raising. The Bangor & Aroostook Railroad contemplates handling 400 carlots of oats this year, while in 1939 there were only 67 carlots. We have always maintained that when the inducement was withdrawn to raise products for the loan rather than for consumption that proper utilization of the land would be made.

According to The Southwestern Miller, the Department of Agriculture does not plan to issue a tentative or interim 1951 loan rate on wheat as in past years. The present schedule is for the announcement of a permanent 1951 loan rate immediately after the posting of mid-June parity scheduled for June 29th, and farmers have been advised that loans on earlier new wheat movement will be made at the 1950 rate, growers to receive the difference between the temporary and permanent loan price on request. However, we call attention to the fact that this year warehouse storage charges will be deducted in advance.

Primary receipts of wheat today totaled 1,168,000 bu vs 1,495,000 bu last week and 898,000 bu on the comparable day of last year. When the wheat visible was posted it showed a net decrease of 1,605,000 bu leaving total stocks as 156,283,000 bu or approximately 7 million bu larger than a year ago. Chicago stocks of wheat increased 74,000 bu to a total of 4,539,000 bu, while corn decreased 1,425,000 bu leaving stocks in this market at 13,314,000 bu.

New flour business continues in exceedingly small volume and the only export business we heard reported in wheat was a cargo of heavy northern spring. The lack of demand, plus further peace talk, has had a depressing effect on grains as well as the stock market. There is no direct evidence of the Reds being interested in peace. Nevertheless, diplomats from the nations fighting in Korea have opened a study in Washington this week on the chances for a peace agreement. The British Embassy seems the prime mover in a hunt for an avenue to peace.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 5, 1951

While there have been no new developments and no statements being made from official quarters, it appears rather evident that peace feelers are out in an effort to find a way to end the present engagement in Korea. In some quarters it is believed that Stalin has concluded that nothing short of an all-out war will drive the United Nations' Forces out of Korea. Our country has shown a stiffening attitude regarding Asia, and while again no official comments have been made, apparently some new American weapons are being introduced for the first time. According to a correspondent for Reuters News Agency in a recent action in Korea--"An American commander gave the order and 10 Chinese advancing toward American defenses disappeared in a searing mass of flames. The flames roared 200 feet into the air and enveloped 100 square yards of ground. A great cloud of smoke shot with flames rolled over the entire area." The British Labor Government in the past has exerted pressure on this country to keep the engagement in Korea limited, repeatedly warning us against provoking a third World War. Since difficulties have developed in Iran, the roles have been reversed, and Britain seemed determined to protect her own oil interests with military forces if necessary, and it is now this country which is bringing pressure upon the British to prevent further outbreaks in Iran, which may be of a more dangerous character. It may be that between the two situations proper solutions can be found.

Broomhall states that satisfactory conditions are now reported over most of the principal producing areas in Argentina and Australia, with frost last week in the former, which is viewed as favorable for recently planted wheat and coarse grains, checking early growth, and moisture supplies are adequate. There is no indication as to the area planted in the Argentine, although it is surmised that a moderate to fair increase has been realized due to a more favorable attitude toward agriculture. The Eastern areas of Australia received much needed rains last week, which in turn aided germination of the earlier planted wheat and were expected to facilitate planting of fields which had been held up pending receipt of moisture.

The same source also reports that India is now receiving wheat from the Soviet Union against the agreement reported several weeks ago, and presumably will start to receive grain from China against purchases of 520,000 tons recently reported by official Indian sources. These will augment the large quantities of grain which have been moving out of the U. S. and Canadian ports for a protracted period. This has been largely wheat and milo and is exclusive of the large quantity sought here for several months, on which final action is expected momentarily. No official indications have been given as to the wheat crop just harvested in India, but price for the domestic article in the Indian market has slumped quite sharply recently, and some trade interests attribute this to a good crop.

Advices from our own Northwest state that rainfall towards the end of the week relieved the May drought in all areas excepting northwest North Dakota. Generally speaking the crop in the spring wheat territory has made satisfactory progress, and with the exception of a few areas sufficient moisture has been received to permit a rapid advance. Fall rye is heading and for the most part is good, while early fields of corn show good stands.

According to The Southwestern Miller, a preliminary outline of programming on exports of wheat and other grains for August and for ugust-September-October quarter has been made by the Department of Agriculture. The decision on the final quantities has not been made, and it appears that the Department is awaiting crop developments and will probably be guided greatly by the official crop estimates to be issued on June 11th, with allocations likely to be announced several days ahead of mid-June, and simultaneously it is expected subsidy rates will be announced.

Primary receipts of wheat today totaled 1,510,000 bu vs 2,124,000 bu last week, and 1,032,000 bu comparable day of last year. So far this week Kansas City and Minneapolis stocks show a net increase of 33,000 bu.

There was evidence of flour business, with hedges being removed from the market. This steadied the market after weakness at the opening. From advices which we have received from the Southwest so far, the early returns from new wheat show very good testweight, which is usually indicative of somewhat better yields. There was a little freer offering of corn on part of the country.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 6, 1951

The packing industry seems to be very perturbed over present controls, and yesterday many of the larger packers curtailed cattle slaughter and began allocating beef to their customers. In some quarters it is predicted that there will be a drastic cut in beef supplies in retail stores in the next week to ten days. As one packer expressed it: "Our plant is unable to buy additional cattle because the market is higher than the price set in government regulations." The present regulations call for cattle killed in any monthly accounting period not to cost more than maximum specified in these regulations. Apparently it is impossible for the packers to forecast what receipts of cattle will be during the balance of the monthly accounting periods, nor what the price will be; therefore, they are compelled to limit their daily purchases so as not to exceed the figure set by regulation. Meanwhile, employees are being laid off and a rather chaotic condition seems to exist although we understand that further conferences are being held in Washington to see what can be done to alleviate the situation.

The USDA reported that, as of May 25th, sales to exporting countries under IWA for the present season have totaled 528,200,000 bu wheat, leaving a balance of 34,325,000 bu to complete all commitments. In analyzing the amounts shipped from different exporting countries, the U. S. has completed its quota of 248,164,000 bu; in fact, has exceeded same by 492,000 bu. Australia has only approximately 1,318,000 bu left; Canada is the one country lagging with approximately 33 million bu left to complete their quota of 188 million. The month of April was a rather large month for the U.S. in the export of wheat and flour, the total being about 54 1/2 million bu. Since the 1st of July of the total exports from here 56% went to ECA countries, which includes Germany, 11% to the U. S. Pacific Occupied areas, 23% to India, Mexico, Brazil, etc., while miscellaneous countries accounted for 10%. According to Sanford Evans the U. K. has taken since August 1st, 89 1/2 million bu wheat and flour in wheat equivalent versus 109 1/2 million the previous year. In 1950, the U. K. crop of wheat was 90 million bu, while in the previous year it was 82 million.

One of our close friends in the Northwest advises that in the spring wheat territory the past week there were cool and freezing temperatures reported at several points in northern and western Montana. There was quite a bit of wind during the period but fortunately good rains covered much of this territory the latter part of the week. Rains were heaviest in the driest areas: namely, southeastern Montana, where up to 2 inches were received. Speaking generally, he comments that crop conditions in the spring wheat territory have been considerably bettered by recent moisture, and last night there were further showers in the Northwest with more to follow. In our Southwest the Kansas weekly crop report states that wheat showed continued improvement throughout much of the state as the result of warmer weather and ample moisture supplies. Some deterioration is taking place in the Southwest area of that state through Mosaic, and water standing in fields. The Iowa report mentions that farm work progressed rapidly although some delay was encountered because of general rains the latter part of the week. Corn planting is nearing completion in most areas of the state, with about 86% accomplished at the end of the week. The stand of corn is generally reported to be excellent and making good growth. The Illinois weekly report mentions that corn planting was about 95% completed compared with 89% a year ago, and the ten-year average of 80%. Stands of both corn and soybeans are generally good.

Primary receipts of wheat today totaled 508,000 bu, which compares with 416,000 bu last year; there are no figures for last week as it was a holiday. So far this week Minneapolis and Kansas City stocks show an increase of 10,000 bu.

The wheat market was somewhat stimulated today by purchases on part of Portugal yesterday afternoon of one cargo two hard wheat out of the gulf and two cargo two red wheat from the Atlantic. We also believe there possibly has been some accumulation of wheat futures on part of exporters in anticipation of some business to come.

There is some flour business being consummated but on the whole business is picking up at a rather disappointing rate. Apparently many flour buyers are in a more or less bearish frame of mind and presumably holding off except for their 30-day requirements.

Rains in the Southwest are delaying harvest in the southwestern areas of Oklahoma and from reports we received same may not be resumed for another three to seven days.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 7, 1951

In these days of inflation and reduced purchasing power of the dollar, one often hears discussions as to whether or not the people as a whole are better off than they were ten years ago. Some rather interesting figures have recently been released by The Psychological Corporation, which has been testing public feeling. While we do not know the extent of the survey, we understand that it did not reveal any difference between the feelings of non-union families and union families, and included people in categories from truck drivers to executives. Furthermore, the figures which were released may not agree with government statistics, which probably show that the family's real buying power, despite higher prices and taxes, is still ahead of two years ago. Nevertheless, it may be considered as a test of what many people feel or believe is their actual condition, and probably points out that the race between wages, prices, and taxes has lost some of its popular appeal. The question asked in the poll was, "Is your family more prosperous (or better off) today than two years ago, less prosperous or the same?" The answers compared with a year ago and ten years ago were.

	1951 Pct.	1950 Pct.	1941 Pct.
More prosperous.....	26	30	38
The same.....	41	46	47
Less prosperous.....	29	21	15
Don't know.....	4	3	-

Broomhall in commenting on European conditions reports that the recent improvement in European weather has checked deterioration but that crops are backward due to rains and cool weather, and it is contemplated that the late crops will mean low yields with some of the acreage intended for wheat being planted to other products. Our own government reports that the food production and consumption in Western Europe have shown a remarkable recovery in recent years, with all but a few of the countries recovering the quantative and qualitative consumption levels that existed prior to the war. In fact, some of the countries have shown improvement through the larger consumption of fresh milk and vegetables.

The Agricultural Letter of the Federal Reserve Bank of Chicago points out that the cash receipts from farm marketings in May were estimated by the BAE at $2.2 billion, or 16% greater than in the same period of the previous year, and for the first five months of 1951 receipts are 17% ahead of last year, or a total of $10.7 billion. They mention, however, that prices averaged about 30% higher than last year, although the volume of marketing was somewhat lower.

The matter of grain shipments to India will no doubt be settled very shortly by our Congress. Meanwhile, according to Broomhall, Russia has shipped 584,000 bu wheat to India, making a total of 1,344,000 bu shipped to-date, which leaves a balance of 500,000 bu still to be delivered against the original contract of 50,000 tons. This same country has also shipped some coarse grains to Great Britain, but it is still very much short of the million tons contemplated.

The Northwestern Miller states that flour buying was very limited last week and that marked declines were shown in sales. In the Southwest they averaged only 15% of a five-day mill capacity compared with 143% the previous week. Sales by spring wheat mills have also dropped with the volume averaging only 16% of capacity. The Chicago corn-hog ratio for the week ending June 2nd was 11.7 compared with 11.3 the previous week and 12.4 the comparable period a year ago.

Primary receipts of wheat today totaled 1,301,000 bu vs. 1,960,000 bu a week ago and 936,000 the comparable day last year. So far this week Kansas City and Minneapolis show a decrease of 95,000 bu.

We heard of only a small lot of hard wheat sold to go to Switzerland, but it was reported that the U.K. bought 3 million bu of Manitobas for June shipment. Flour business continues on a limited scale, with flour buyers apparently in a rather bearish mood.

Processors of beans, particularly the expeller type, express dissatisfaction with conversion prices at the present price level of beans; in fact, there seems to be some evidence of curtailment in production. Meanwhile, stocks of soybean meal are rather heavy.

Austria has asked for offers of 3 cargoes of #2 yellow corn for shipment June 20th to July 15th, with purchases scheduled for tomorrow, and there was possibly some buying of the futures in anticipation of this business.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 8, 1951.

The House Ways and Means Committee has given its final approval to tax increases on individuals and corporations amounting to $5 billion. Inthe final proposal individual income taxes will be raised by 12 1/2%. However, they have limited to 90% the amount that could be taken out of any individual's income; therefore, it would appear that at least for those in the upper brackets, taxes now have reached a confiscatory point and should our deficit spending continue at any more rapid pace, the burden would have to be placed more and more upon the lower groups It is estimated that those in the $5,000 or less income bracket receive about 70% of disposable income, and if actions are taken to curb inflationary forces it will finally be necessary that this large group share on an equitable basis in the additional levies to be imposed. According to the New England Letter we have not asyet come to grips with the problem of inflation in a realistic fashion, but rather have temporized with same, although there are no panaceas for the inflation problem. It must cover all segments of the economy. To quote from their letter: "The chief reason for the failure to hold the line against inflation is that the problem is being tackeled on the basis of politics rather than by sound economics. For the past two decades prevailing philosophy has been that monetary inflation is essential in order to provide purchasing power and an expanding economy. Time and again it has been pointed out, at least by implication, that under this formula the Government could provide abundance and security without calling upon the people for any sacrifice. For nineteen of the past twenty-one years, many of which were in prosperous peacetime, the Government operated in the red and postponed the day of reckoning. No longer can we escape by taking the easy way out. We must brace ourselves to the trying task by adopting a well-rounded and comprehensive anti-inflation program that will be carried out with consistency and unflinching determination."

Since the 1st of May, July wheat futures in Chicago have declined about 10¢ a bu, and about 9¢ a bu in Kansas City. At that time wheat prices were ruling considerably higher than the probable loan value, and it looked then, despite the fact that crop estimates were at low points, as though a large percentage of new-crop wheat might be put into free channels. However, the picture has now changed regardless of the fact that crop prospects have improved, and at the present level participation in loans should be heavy, as the farmer who places his wheat under warehouse storage will be charged about 10 1/2¢ a bu for storage; therefore, would have very little to risk at prevailing prices in seeking the loan.

The time is now approaching, and it is anticipated that same will take place within the next week when new allocations and subsidies will be announced by the Department of Agriculture. This should lead to an increased foreign demand. However, much will depend on whether allocations will be announced for a single month or whether for a three-month period.

Broomhall gives last week's exports of U S wheat and flour as 12 1/2 million bu, and has now revised his figures for total exports from July 1, 1950 to June 2, 1951 to about 320 million bu, and at the present rate might run close to 370 million bu for the full year. Should these figures materialize, of course, it would cut down our carryover at end of the season. We started with a crop and carryover of 1,450 million bu. If we use 725 million bu domestically, and 370 million for export, the disappearance would be 1,095 million bu, leaving a carryover of 355 million as compared to July 1, 1950 figure of 423 million bu.

Primary receipts of wheat today totaled 1,223,000 bu vs 1,536,000 bu last week, and 937,000 bu last year. So far this week Minneapolis and Kansas City stocks show a net decrease of 150,000 bu. When the visible supply is posted on Monday it will compare with an increase last year of 441,000 bu.

The five-day forecast suggests somewhat slightly under normal temperatures in Kansas, Nebraska, and Missouri, with about normal in Oklahoma. Precipitation will average moderate to heavy, with thundershowers occurring through Saturday, and in the eastern portions through Wednesday. In western Texas the forecast is for somewhat above normal temperatures, with thunderstorms occurring over the weekend and the first part of next week. For the Northwest, below normal temperatures with a rising trend toward the end of the period and showers and thunderstorms through Sunday.

We heard of no particular export business in wheat. The three cargoes of corn were reported worked to Austria. Flour sales continue on a limited scale, and all in all the commercial demand is not of any significant amount. There were some sales of new wheat in Chicago for July/August shipment from the country at 4 1/2¢ under Chicago September delivered Chicago basis hard, red, and/or yellow hard.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 11, 1951.

While Korean news was all of a favorable character, Secretary Marshall expressed no optimism about an early end to the war; neither did he foresee an indefinite stalemate. These impressions were given prior to his departure for home. However, he did say that the Chinese Reds had gotten themselves into a difficult situation.

Without much other news our market opened somewhat firmer this morning, with some local buying in evidence, possibly short-covering by some who had been quite optimistic last week that hostilities were drawing to a close. Our market was again rather quiet. There seems to be some discouragement over the fact that prices generally have moved a little lower the past few weeks. The biggest declines have been registered in prices received by farmers. The index has dropped off moderately in May for the third consecutive month, and is now below the February peak. On the other hand, employment and income continue high, all of which indicates that general business should be quite good, and the demand for products and services up to now has been maintained. Employment is at such a high level now that the number of jobless is down to the lowest point since October 1948. At the same time personal incomes are still rising, all a part of the inflationary spiral. The one factor possibly that has been somewhat discomforting was the inventory of goods in the hands of manufacturers, wholesalers and retailers, but due to the recent price war in New York some reduction in accumulations has undoubtedly taken place.

As we look at the wheat picture, we are beginning to change our ideas to some extent on the probable carryover on July 1st due to the heavy rate of exportation. We have been mentioning these each week as Broomhall has pointed out the heavy rate of shipments. At one time it looked as though our total exports might not exceed 275 to 300 million bu, but with clearances already estimated at 320 million since last July, we have to prepare ourselves for a big outflow, and the official figures apparently exceeded those that had been previously given in Broomhall's compilations. If June turns out to be as big a month as May it is altogether possible that our total clearances will be in the neighborhood of 375 million bu. This in turn would cut our carryover reserve to about 355 million bu, as compared with 423 million a year ago. Of course, a large percentage may be in free hands, and with another crop soon to be harvested, no shortage is in sight unless something should overtake the spring wheat crop.

There have been some heavy rains again in parts of the Southwest, but they were spotted, occurring mostly in western sections. Not much apprehension has been expressed yet, and probably the benefits outweigh the damage that may be sustained, although where heavy water stands in the fields, there is likely to be some deterioration to quantity as well as quality.

The BAE in its OUTLOOK DIGEST, published today, believes that price of wheat will probably decline less than seasonally as the new crop is harvested. Supporting the market will be a smaller movement of winter wheat, while export purchases under the new International Wheat Agreement program are likely. Of feed grains they say that with more livestock on farms than last year and livestock product prices considerably higher, demand for feed continues strong.

Primary receipts of wheat today totaled 1,529,000 bu vs 1,168,000 bu last week, and 931,000 bu on comparable day of last year. When the visible supply was posted, wheat showed a decrease of 4,708,000 bu making total supplies 151,575,000 bu, or 1,638,000 bu more than a year ago. Chicago stocks of wheat decreased 176,000 bu, and now total 4,363,000 bu. Corn decreased 629,000 bu in this market, leaving a balance of 12,685,000 bu, oats increased 92,000 bu, while rye showed a small increase of 19,000 bu.

There were some parcels of spring wheat reported sold to Switzerland; mills seem to be pushing actively for flour business, but actual bookings are of an extremely small volume, and only a limited amount of flour has been sold for export. There was weakness in July beans throughout the session, and later professional selling in wheat brought temporary declines in that cereal. Late in the session there was an article on the broadtape from the United Nations in New York that reports of an impending peace put to the Communists to end the war in Korea have met with stony silence from Red China but western diplomats do not go so far as to say that Peiping has been entirely deaf to talk on Korean peace.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 12, 1951

Late yesterday it was announced that the Senate had voted a loan to India to send 2 million tons grain to that country for the purpose of alleviating famine conditions. We have no doubt that starvation has continued this year, but in that respect conditions have been extremely bad for a long time, and with the prolific population increasing at the rate of 10 million a year, there seem to be about 2 million persons starving every twelve months because of inability to cope with such rapid growth. Nevertheless, India, even before the loan, had been receiving a considerable amount of grain from this country and has also made agreements with Russia, China, and other nations; in fact, to such an extent that Indian officials have asked the U. S. to limit our shipments of grain in order not to overtax the capacity of their port facilities. These same officials have suggested the following schedule: August 100,000 tons, September 150,000 tons, October 200,000 tons, November 250,000 tons, December 300,000 tons. We also have been told, but are unable to confirm, that as a result of heavier clearances from here to India on credit possibly purchases made elsewhere may be reduced or cancelled.

This news was overshadowed by the fine prospect reported in the June government report. Winter wheat was increased 23 million bu, and a yield of 705 million bu is anticipated now, only 6% smaller than the season earlier. The expected spring wheat crop of 348.6 million bu would be the largest crop in 36 years, and would be one-fourth greater than the 1950 harvest, and also, about the same percentage improvement over the 10-year average. The Department accounted for this big increase by citing additional acres which had been planted and also better-than-expected yields per acre. In North Dakota the outlook is for a crop of 157 million bu compared with less than 90 million last year, while South Dakota may raise twice as much as last year, and this should more than overcome the somewhat smaller production than a year ago for the winter wheat states, although Texas and Oklahoma turned out badly due to the early adverse weather.

Taking the country as a whole the prospect is still most promising and we note from the Peavey Elevator report that general rains in the Northwest last week have provided sufficient moisture to permit maximum crop progress. Farmers generally are happy over the present outlook. There was further moisture overnight in the Southwest, which was not wanted, and more apparently is on the way, with also widely scattered thunderstorms or intermittent showers extending to the corn belt. Possibly some damage will occur in fields that are now under water, but this is generally overcome by the good effects obtained elsewhere. Harvesting operations are to some extent delayed in parts of Oklahoma but even in that state with a crop of only 43 million bu, total pressure will not be heavy, and we are of the opinion that when export business is permitted under IWA subsidy, greater activity will take place, and that covering of hedges may tend to stabilize prices to a greater extent than heretofore.

Primary receipts of wheat amounted to 1,267,000 bu compared with 1,510,000 bu last week, and 1,166,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 135,000 bu.

After mid-session markets which were rather weak had an about-face, some of the traders in wheat were of the opinion that with the issuance of the spring wheat report that the good news was all out, and that any change that might take place now would be for the worse rather than for the better. In fact, one of the crop experts, who had sent out such pessimistic reports on winter wheat, is now reported in the spring wheat areas, and has found greenbugs and other infections which may have had something to do with the rally. The main thing, however, is that wheat prices are within the realm of the loan, that not much is coming on the market yet, and that possibly impoundings will be heavy unless prices improve. The fact, also, that allocations and subsidies may be announced within two or three days, probably had an influence.

We did not see much evidence of export buying, although we understand that there is some accumulation in anticipation of business which will take place. In any event, markets were very strong, and there was a sharp rally from the lows which were established early--in fact, the close was near the best levels of the day. Also mills were getting a little better inquiry for flour, according to The Southwestern Miller, but yet business is still light. Apparently the government crop estimate discouraged new orders, but it is stated that a good many in the trade are approaching the end of contracts, and will probably have to come into the market before long. There was some evidence of mills covering hedges, which was also a help at a time when there was no particular pressure from the country.

Corn and oats were benefited by the higher prices in wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 13, 1951

A more careful study of the June government report brings forth some rather interesting observations and demonstrates clearly that wheat has great recuperative powers. Actually the improvement during May has brought the current situation, for the country as a whole, virtually up to normal. It is true that acreage losses of winter wheat were heavy, but weather during May helped to improve yield prospects on the remaining acreage. Moreover, the season was somewhat later than usual in the Southwest, and this permitted the plant to take advantage of favorable moisture conditions at filling time. Greenbugs and other pests which had been so much discussed did cause heavy damage earlier this spring, but now appear to be under control by spraying and natural enemies. With an estimated crop in the spring wheat district of 349 million bu, our total production of 1,054 million bu will be slightly less than the recent average, although more than was raised in 1950.

Under these conditions it is rather difficult to take a very bullish view except for the artificial factors that exist and to these we have called attention frequently in our market letters. W hen the wheat loan was first initiated in 1938, farmers received a support of 77¢ in Chicago. This has gradually been stepped up to about $2.49 a bu. It has been largely responsible for the inflationary tendencies. The final loan will depend somewhat on what parity prices will be in June. The average loan farm price was originally 53¢ a bu but the spread between country points and Chicago has gradually increased as freight rates also have advanced. Thus with farmers fully cognizant of their privileges we have found that in years of low prices or where values went under the loan level, very large quantities were impounded; thus one must be guided by these considerations. Chances are that exports will also increase after the allotments and subsidies are announced, although it may take some time before all foreign buyers will step into the market as they have to study these situations, comparing our prices with those of competition. Growers apparently are optimistic generally about the corn crop due to the fact that rapid progress with planting occurred in the main corn belt, and even though the start was a little later than usual operations were nearly completed by the 1st of June. Fields were well prepared and many of them despite the moisture had been cultivated, and are now reported clean. In central Texas fields are already in silk and tassel, and according to the government report a bumper crop appears made. Planting of soybeans has also made rapid progress although heavy rains in the Great Plains area delayed planting of sorghums for a time, but an acreage larger than earlier intended is now being planted rapidly.

According to Broomhall, conditions abroad are less optimistic than a year ago but some recent improvement has been reported, and in France, there was general rainfall following a warm spell, which has favored growth of wheat and other crops, but yet wheat is still expected to be only about average. Good rains fell in Germany and crops are progressing satisfactorily, although Northern sections of Italy are complaining of excessive moisture, while it is dry in the South.

At home overnight weather was a little improved, with only an occasional shower in the Southwest and the forecast is quite optimistic although a little precipitation is expected in the extreme western portions tonight or Thursday.

Following the heavy short-covering of yesterday, our markets opened somewhat lower, although there was no pressure from the country and the early movemen of wheat seems to be easily absorbed. During the session, there was very little interest expressed in any of the grains and trading was at a rather low ebb. The main weakness expressed was in further liquidation of July soybeans and July bean oil. New flour business is very limited. There has been some pick-up in the family flour but most of the national brand mills are still not pushing sales. According to The Southwestern Miller, many of the bakers are more in need of replenishment with most of them rather poorly covered beyond June but still holding off in hopes that somewhat cheaper prices will prevail. There is expected to be a spurt in export flour business after subsidy rates are announced.

Primary receipts of wheat today totaled 515,000 bu vs 508,000 bu a week ago and 601,000 bu on the comparable day of last year. So far this week Kansas City and Minneapolis stocks show a net decrease of 176,000 bu.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 14, 1951.

There was very little grain news overnight, and the trade is still awaiting allocations and announcement on the subsidy, which will probably come momentarily. There are no surprises expected in that direction, and as a matter of fact, we have already been told that as far as the quantities are concerned for importing countries under IWA, there will be no change from those of last year. There is no specific information available relating to quotas for territories of eligible countries, but it may also be assumed that until further notice these quotas will be the same as announced for the 1950-51 program. Word has gone around, but without confirmation, that August quotas will be somewhat less than shipments for June, and this should not prove surprising as the crops in Texas and Oklahoma turned out poorly, and it may take a little time before new wheat from interior points will be harvested and shipped to the seaboard.

During the past week we cleared a little over 7 million bu wheat and flour but in these calculations given by Broomhall the Pacific Coast was missing and that area exported less than 1 million bu the week before. Thus, the total when finally established will still be very big, and suggests that the total for the season will reach a considerably higher figure than had earlier been anticipated. We have already cleared 327 million bu since July 1st, and this compares with only 279 million bu a year ago. The business for the past few months has beenpushed rather strenuously, and we had a clear field owing to the fact that Canada had a small proportion of millable wheat, so much of it having been hurt by the last August frost. Since the start of the world crop season, Canada was the only country that shipped less than the year before. Her contribution amounted to 181 million bu against 182 million the year earlier. Australia furnished 7 millionbu more than the year before, while the contribution from Argentina was 12 million greater, and even Russia, whose shipments have not been heavy, cleared 21 million compared with 13 million a year earlier. Since November 1st our exports of corn have amounted to 73 million, about a million more than the season before.

It is with the thought in mind that we shall again ship rather large quantities abroad that one must temper bearish opinions expressed with respect to wheat. For the next three months at least we will have little competition from Canada or the Southern Hemisphere. Later on it is quite possible that the combined production of spring wheat in our country and in Canada will exceed the 705 million bu winter wheat raised in this country. This would mean that North America would have a good-sized surplus, and particularly Canada, which would function again, whereas their activities had been so greatly curtailed during the past crop-year. Moisture conditions in Canada are satisfactory, and the Bureau of Statistics reports from Ottawa that recent rains and more seasonable temperatures have improved the crop outlook in Manitoba and Saskatchewan, while in Alberta moisture supplies are ample but warmer weather is required to permit growth.

When our market opened this morning it was influenced by further ECA allocations, which included $4 million for corn to France, $3 million for corn to Holland, and $340,000 on milo shipments to Ireland.

Primary receipts of wheat amounted to 1,670,000 bu compared with 1,301,000 bu last week and 1,209,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 811,000 bu.

During the first hour or two, trade was very dull. Markets were indifferent and there seemed to be moderate weakness particularly in corn where one of the industries was presumably a rather heavy seller. Later on, shorts covered and we believe some of the buying was in response to Secretary Brannan's talk in Chio. He emphasized that the government intended to make food available to all persons at reasonable prices but pointed out that the farm surpluses of a year ago had disappeared and that shortages are now threatened. To meet these shortages, he said that an increase of nitrogen for fertilizer by 500,000 tons per year is required. Both the Secretary and his Chief Aide called attention to the fact that there was 75 million bu less wheat in the country but no mention was made of a larger crop in prospect than a year ago. In any event, short covering found the market with offerings rather bare. Flour business continued rather disappointing, but we believe stocks on hand are gradually diminishing.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 15, 1951

For many weeks now the trade has been awaiting publication of subsidies and allocations for the new crop, although previously these had been granted for the month of July. It was thought in some quarters that the August allocations would be somewhat less than those for the previous month, but apparently this was incorrect. We now find that under the August program 65 million bu grain, either in the form of bulk wheat or coarse grain, may be shipped under the International Wheat Agreement quotas. The Department also allocated a minimum of 31 million bu wheat for September and 26.6 million bu for October, the latter being minimum quantities, and undoubtedly there will be additions from time to time so that the total may be a good deal bigger. In breaking down the total grain shipments for August 49 million bu comprises wheat and 16 million bu feed grains, which is certainly a large quantity although consideration may have been given to the likelihood of larger Canadian exports after their crop has been harvested in September or October. We have pointed out frequently that if Canada had grown a normal and average quality wheat crop last summer, our chances for heavy shipments would have been greatly diminished. In any case it remains to be seen now how quickly European countries and other participants will take advantage of our subsidy arrangements in procuring supplies during these three months.

Early indications were that no export business had been done with Europe, and it will probably take some time before European buyers negotiate for their requirements. First of all, they are generally slower to act than we in America; secondly, their own crops are being harvested during the summer months, and for that reason there may not be quite the response that had been expected. We are not trying to belittle in any way the business which may finally develop, as European crops are probably somewhat smaller than last year and chances are that as time goes on these exports will give us foundation for firmer markets than we have had during the past few weeks when new business was of such small proportions.

There was a little more scattered moisture over the Southwest, but not heavy except possibly over parts of the Texas Panhandle where an unsettled condition still exists, but we are not getting any complaints of deterioration. Our Northwest and Canadian weather had been quite satisfactory, and the five-day forecast is also encouraging. Sanford Evans issued a report on Canada, claiming that moderate to heavy rainfall during the past week in Manitoba had greatly improved the outlook, and growth of early-seeded fields had been normal for the season but the lack of topsoil moisture caused germination of later-seeded crops to be uneven in some districts. In Alberta, some delays in seeding were occasioned because of excess surface moisture, and progress of field work was extremely variable. However, taking the province as a whole 90% of the wheat seeding was finished and approximately 82% of oats and barley. In Saskatchewan, showers to light rains have maintained satisfactory moisture conditions although high winds in many areas resulted in a depletion of surface moisture. The Canadian National Railway report was even more optimistic, and they found appreciable improvement during the past week owing to the good rains which occurred throughout central and southern sections of the three provinces. With warmer weather the past few days growth is rapid and despite some weeds the plant has a healthy appearance and fear of uneven germination of the late-sown crops has been generally dispersed as a result of moisture.

Primary receipts of wheat were 1.3 million bu compared with 1.2 million bu last week, and 1.1 million last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 1.3 million bu. When the visible supply is posted on Monday there will probably be a decrease, which will compare with last year's increase same day of 2.8 million bu.

Trade was rather quiet, and there was no feature, but as stated early, a little short covering on an announcement of allocations, etc., when it was found that new business was slow in developing new buying interest lagged, although domestic flour business picked up and some of the mills we were told were pushing more actively, probably for the reason that inventories are low.

Despite the weakness in wheat, corn futures held up pretty well, and July beans were also strong, with no particular pressure from the country. However, there seems to be no domestic improved demand for oil but China might have been inquiring for some vegetable oils. Recent declines have been heavy. The lard market displayed some irregularity but the nearby months were easy following the cash market.

While we are not sympathetic to any sharp declines in wheat due to subsidies and a comparatively high loan, we still see nothing special to invite new interest

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 18, 1951

The trade has been assuming for sometime that the moment subsidies and allocations were confirmed for the first quarter of the crop year, export business would immediately pick up. There are several reasons why this may not be the case. First of all, the price to European buyers does not vary as much as it did before we had these various artificial stimuli. In other words, if there were an advance in futures or cash, chances are that the CIF price in Europe would immediately be reflected by higher quotations. However, if the subsidy advances to the same extent that the market rises, this would not be true. Thus, there is no urgency in placing orders here, particularly as we have specified amounts which may go to the various countries.

We might also call attention to the fact that in the crop year which is about drawing to a close, world shipments were rather slow in reaching the high stage, and it was only in the past four or five months that the demand became so heavy, For example, from last August 1st to February 3rd world shipments were 331 million bu compared with 379 million bu the year before - in other words, 48 million bu less placed afloat. When we take a longer term into account; namely, from the 1st of August to June 9th, or a nine months' period, we find that world shipments were 704 million bu compared with 623 million bu the previous year, or 81 million bu more. Thus the acceleration became more pronounced as time went on, and it could well have been that with fairly satisfactory crops in Europe they lived more or less on home supplies early in the season rather than trying to congest storage abroad, even though international conditions looked more desperate a year ago than they do at the present time. Unless European buyers become alarmed over a general war in Europe it may well be that supplies will not be hoarded, and that the buying will be rather orderly.

Our opinion confirms this reasoning to such an extent that we do not anticipate heavy accumulations during the summer months, although crops in Europe are probably not quite as good as those of last year, and to that extent supplies may have to be augmented by larger takings from the U.S., at least until the big Canadian crop now in prospect is harvested.

New York reported a rather indifferent demand this morning from abroad and this, together with satisfactory weather, gave us a slightly lower opening, despite the fact that domestic movement of grain is rather slow in getting under way. It is true that crops in Texas and Oklahomaare poor; Fort Worth had only 39 cars of wheat today compared with 380 last season; Enid 133 cars vs 957; Wichita 42 compared with 496, Kansas City 287 compared with 452, and the same ratio could be shown for many other secondary markets, all of which indicates that either there is a greater holding tendency on part of the farmer due to the high loan, or else it will take more time yet before the movement from first hands increases, after a stretch of wet weather.

There has been some wonderful moisture in India, and coming at the season of their monsoon, it is particularly favorable for the seeding of Autumn crops. Broomhall also tells us that weather over Europe since the first of June has been brilliant, and that there is response to the warmth. However, he does point out that acreages did not reach their goals and production is not likely to be as large as had originally been hoped for.

When the visible supply of wheat was posted there was a decrease of over 4 million bu. Total stocks in all positions are 147 1/2 million bu compared with 152 million bu last year. The corn visible decreased 787,000 bu, to 44.3 million bu compared with 40.7 a year ago. The oat visible decreased 3/4 million bu to 13 1/4 million bu compared with 10 1/4 million bu last year. There were decreases in Chicago for everything but rye, wheat stocks declining 281,000 bu to 4 million bu, corn decreased nearly 1/2 million bu to 12 1/4 million bu, oats decreased 426,000 bu leaving 5.8 million bu at this market, while beans decreased 223,000 bu, leaving 1.9 million bu here. In rye there was a small increase, but total stocks amount to only 1 1/4 million bu.

Trade was not very active today; in fact, there was no real issue surrounding the market. Nobody is particularly anxious to take a short position, with a comparatively high loan, and some chance for improvement in export circles. On the other hand, the price is high enough to discourage followers unless there should be some deterioration in spring wheat either in our Northwest or in Canada, Milling demand is still slow, and not much business over the weekend. However, dwindling flour stocks suggest that buyers may have to re-enter the market before long. July corn has gone from a premium to a discount, which suggests rather slow demand even at a time when country movement is extremely slow.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 19, 1951.

There was very little grain news overnight, and export business continues in slow volume, thus discouraging those who had looked for a considerable increase after announcement of subsidies and allocations. There were scattered showers over southern Alberta, but elsewhere in the Northwest mostly fair weather prevailed. There was also some scattered rain in parts of the Southwest, but not too heavy except in some portions of Nebraska, principally in the northern parts. The forecast is still for an unsettled condition and to that extent rains are holding up the harvesting in some districts with the resultant slow movement to terminals, so that actual pressure from first hands continues light.

Probably the thing that influenced markets as much as anything was the re-entry of Manchuria into the soybean export field, and according to our Department of Agriculture there may be quite a large business to Western Europe, with as much as 18 million bu of Manchurian beans shipped from the 1951 crop year. This is all on the assumption that there is no deterioration in the crop outlook. Should the situation improve, trade conceivably could return to a prewar rate of some 85 million bu beans, including the bean equivalent of soybean oil. We are also told that most of the transactions have been negotiated through Hungarian firms. In any case this instilled a little bearish sentiment, so that grains other than beans were also adversely affected.

It is well to note that wheat seeding in the Argentine is progressing well but up to the present time there has been no attempt to calculate acreage. Broomhall's correspondent in that country has observed a more favorable reaction to the recently announced basic price being paid farmers, and this may result in additional land being cultivated to wheat. In the meantime, that country is disposing of old supplies, and the balance reported for export and carryover is probably down to 35 1/2 million bu compared with 47.7 million bu last season. This is arrived at in the following manner: Their total wheat supply at the start of the season was 229 million bu, home needs were estimated at 136 million bu, and exports to June 14th were 57 1/2 million bu. Thus, they do not have too much to offer until another crop is available. As for Australia, exports during the last fortnight amounted to 5 3/4 million bu, making the season's total 51 1/2 million. This is some 4 million greater than the year before. It is estimated by Broomhall that remaining supplies for export and carryover are 88 million bu for that country compared with 108 million bu last year and 94 million bu two years ago. The same authority also states that farmers are finding sheep raising more profitable than wheat, and as a consequence acreage to wheat may be decreased by about 800,000 bu this season.

The Peavey Elevator Company was rather optimistic in its weekly findings on spring wheat. They say that in general the small grain crop made excellent progress during the week. With few exceptions soil moisture is adequate at least for the time being. Also, higher temperatures accelerated the rate of growth. The Occident Elevator report was much the same, although stated that a good general rain over the entire territory would be very beneficial at this time. They reported that spring-sown grains ranged in growth from around 4 inches high on the late-planted crops to some of the early-seeded grain being in the boot and nearly ready to head.

Primary receipt of wheat amounted to 1,567,000 bu compared with 1,267,000 bu last week, and 1,556,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 80,000 bu.

All grains were weak, possibly some of it may have been attributed to the maritime strike, and we understood that one house was liquidating July corn and buying September for that reason. Milling demand was extremely dull, and buyers seemed to be holding off, possibly encouraged by the fact that prices have been declining. According to the Southwestern Miller, sales are averaging less than 50% of capacity, consisting largely of limited quantities for the balance of June or early July shipment. However, inventories are way down. One of our friends thinks that before long there may be substantial business. The five-day forecast was quite favorable for the Northwest, and a period of showers would undoubtedly be welcome.

July beans held comparatively better than some of the deferred months. Exports during April were 3.3 million bu, bringing the season's total to nearly 21 million bu since October 1st compared to less than 10 million bu a year ago. Pressure was not heavy in any of the pits, but commission houses were on the selling side, and reports from the country indicate that crops, and corn in particular, are looking wonderful.

This is not a solicitation of any order to buy or sell but merely a current market bulletin; any statements of fact herein contained are gathered from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 20, 1951.

There were some widely scattered showers over part of the Southwest but our weather man has told us that a more settled condition is expected although this was not fully confirmed by the official forecast. In former days, the question of wet harvest was much more important than at present when probably one out of every ten or twenty farmers had a combine machine, or at a time that grain had to stand in the shock for ten or twelve days before being threshed. Heavy rains often did much damage to the quality and sometimes to the quantity, but in recent years modern equipment has largely changed this situation. The test weights that are being reported on wheat now brought in from Oklahoma points is quite encouraging, the average in many districts running 61 1/2 pounds. That would generally indicate a fairly good crop. Of course, we cannot overlook the heavy abandonment but at least with yields running from 7 to 30 bu per acre there are expressions that Oklahoma may have a harvest of 45 million bu, which is somewhat better than had been earlier expected.

The trade continues to be confused over the export situation. Many were surprised and disappointed that a larger volume did not develop as soon as the allocations were granted. There has been further fear expressed that with the seamen's strike that the shipments, at least those which have been scheduled on American boats, would be cut down during the period of arbitration. In fact, there may have been some selling yesterday by export houses who had bought futures in anticipation of this business. Broomhall's Foreign Crop Summary talks of rainfall that had been too heavy in some sections of western Europe, which forced lodging, but, on the other hand, weather was mostly favorable in central Europe. Storms were harmful in parts of France and more settled weather is needed. It is figured that a crop of 240 million bu may be harvested which would compare with 280 million bu last year and 286 million bu for the five-year average prior to the war. The Italian reports on wheat are contradictory, with some private estimates running higher than last year's crop of 278 million bu, although recently an official forecast made it only 256 million bu, so that time alone will tell who is right. Crops in western Germany are making satisfactory progress although trade views generally believe that the outturn will be somewhat less than last year. The main issue, we believe, that should be remembered with respect to European crops is that acreages sown to winter grains, mainly wheat and rye, in northwestern Europe, were smaller than the year before. This was due mostly to prolonged wet weather in the fall, according to our Department of Agriculture. Later on there was heavy precipitation and although subsoil moisture had improved it caused a very late spring, and in many cases sowing was later than usual. Opinions, however, vary as to the effect of the late start although agricultural specialists feel that yields in some countries will be reduced . In others, if good growing conditions continue yields are likely to be unaffected.

Primary receipts of wheat today amounted to 765,000 bu vs 515,000 bu last week, and 1,439,000 bu last year. So far this week stocks of wheat in Kansas City and Minneapolis show a decrease of 254,000 bu. Carlot receipts of wheat in the Southwestern markets show a very poor comparison to a year ago, with only 20 cars in Fort Worth against 145 last year, Enid had 245 cars vs 361 a year ago, while Hutchinson and Wichita together had about 92 cars compared to 448 last year.

As the session progressed some further rains were reported in Kansas, amounting to 2 to 3 3/4 inches at Cherryvale and eastward. A cargo of #2 hard wheat was reported sold to Norway out of the Gulf for August loading. Otherwise, we did not hear of any other export sales. According to The Southwestern Miller there was a moderate amount of flour sold overnight, but mills were not able to attract any substantial business. Bakers show great interest, and are watching the market closely. They feel that a large majority of the trade is poorly covered for July and forward shipment, and that there is a broad potential outlet, but it is slow in developing. A well posted friend of ours in the Northwest states that he very much belittles the report of mosaic in spring wheat, but he does feel that the government estimate was a little on the optimistic side, and that the yield per bushel was a little overestimated for this time of the year.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 21, 1951.

There was some very heavy rain again overnight in southwestern districts. A few isolated spots in Kansas had as much as 7 inches, and where that occurred railroad tracks were washed out, and it looks as though the Dust Bowl had been turned virtually into a lake over rather large areas. There were also a few light showers over the Canadian Provinces and in some points in Montana and Minnesota; however, over the corn belt generally dry conditions prevailed. The outlook is not very encouraging for the Southwest, as unsettled weather with showers and thunderstorms still is in prospect and the rains may be heavy in some localities tonight and Friday.

This may have had a little influence on our market when we opened this morning, but generally speaking confidence has not been revived, and many people continue to be disappointed at the small export business, but we have explained in several of our previous letters that European buyers may have special reasons for waiting, particularly as native crops will furnish a source of supply within the coming weeks. We may have a repetition of last season when the imports gain momentum slowly for the first four months, and then increase later on. Furthermore, there is still a good deal of wheat being cleared from our shores on business already on the books. According to Broomhall 10 1/2 million bu was shipped during the past week, and the total since July 1st has amounted to 337 million bu, which compares with 288 million a year ago. Exports of corn from here were also fairly good at 1 1/2 million bu, but since November 1st a total of 75 million bu, no increase over the previous season.

During the first hour there was not too much activity but later on stop-loss orders were uncovered, and there was considerable selling in all pits, and one cannot overlook the fact that at least to old-timers the present price of grains looks very high, but on the other hand with inflationary tendencies, high parity, and an increasingly attractive loan, there must be artificial factors that will finally tell the story. We do not believe that much wheat is being sold in Oklahoma and a good part of it is either going into storage or may be impounded later on. As far as Texas is concerned the crop is so small that it is only a fraction of what was raised in some of the good years when that state produced anywhere from 80 to 120 million bu. Corn receipts still do not indicate that the country is in the mood to sell; in fact, if it were not for some liquidation on part of the government where grain is of doubtful quality, it might be more difficult for the industries to buy so readily. The Chicago corn-hog ratio this week is 12.1, a slight increase over last week, when it stood at 11.8; a year ago it was 12.2.

A little more attention has been paid lately to the rather indifferent stock market. Higher taxes are slow in being voted, although headway is being made in the House, but the Senate may not take action until next fall. It is generally admitted that individual income tax has passed the point of diminishing returns. Secretary Snyder, in his testimony recently, pointed out that 58% of all taxable income is received by those earning less than $5,000 and that any further increase must come from that group. Possibly the new bill when passed will yield an additional $7 billion, which is a far cry from the $17 billion originally requested by Mr. Truman.

Primary receipts of wheat amounted to 1,792,000 bu compared with 1,670,000 bu last week and 1,940,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 318,000 bu.

Markets at one time were very weak but apparently the liquidation and selling was overdone. Therefore, when this subsided, there was a rather healthy recovery, led by wheat, but other grains also shared in the upturn. There was not too much activity in milling circles although a little better flour business was booked but in the main buyers seemed to feel that as long as prices have been declining that they may get their supplies cheaper. Sometimes, however, there is more business done after prices stabilize.

The pig crop was construed as a little bullish. The number was the third largest of record. This had a stimulating influence on the corn market, but the nearby delivery was still under some pressure and ruled at a substantial discount under September.

We understand that the Minneapolis Exchange will close this Saturday but a permanent policy has not yet been decided. This may be determined when the Directors in that market hold their meeting next week. Our market will close Saturdays during the summer months following yesterday's vote by the members.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

There was no specific news to account for early weakness although at one time it was stated that the U. N. might try to negotiate a peace plan on the anniversary of the start of the Korean war.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 21, 1951.

There was some very heavy rain again overnight in southwestern districts. A few isolated spots in Kansas had as much as 7 inches, and where that occurred railroad tracks were washed out, and it looks as though the Dust Bowl had been turned virtually into a lake over rather large areas. There were also a few light showers over the Canadian Provinces and in some points in Montana and Minnesota; however, over the corn belt generally dry conditions prevailed. The outlook is not very encouraging for the Southwest, as unsettled weather with showers and thunderstorms still is in prospect and the rains may be heavy in some localities tonight and Friday.

This may have had a little influence on our market when we opened this morning, but generally speaking confidence has not been revived, and many people continue to be disappointed at the small export business, but we have explained in several of our previous letters that European buyers may have special reasons for waiting, particularly as native crops will furnish a source of supply within the coming weeks. We may have a repetition of last season when the imports gain momentum slowly for the first four months, and then increase later on. Furthermore, there is still a good deal of wheat being cleared from our shores on business already on the books. According to Broomhall 10 1/2 million bu was shipped during the past week, and the total since July 1st has amounted to 337 million bu, which compares with 288 million a year ago. Exports of corn from here were also fairly good at 1 1/2 million bu, but since November 1st a total of 75 million bu, no increase over the previous season.

During the first hour there was not too much activity but later on stop-loss orders were uncovered, and there was considerable selling in all pits, and one cannot overlook the fact that at least to old-timers the present price of grains looks very high, but on the other hand with inflationary tendencies, high parity, and an increasingly attractive loan, there must be artificial factors that will finally tell the story. We do not believe that much wheat is being sold in Oklahoma and a good part of it is either going into storage or may be impounded later on. As far as Texas is concerned the crop is so small that it is only a fraction of what was raised in some of the good years when that state produced anywhere from 80 to 120 million bu. Corn receipts still do not indicate that the country is in the mood to sell; in fact, if it were not for some liquidation on part of the government where grain is of doubtful quality, it might be more difficult for the industries to buy so readily. The Chicago corn-hog ratio this week is 12.1, a slight increase over last week, when it stood at 11.8; a year ago it was 12.2.

A little more attention has been paid lately to the rather indifferent stock market. Higher taxes are slow in being voted, although headway is being made in the House, but the Senate may not take action until next fall. It is generally admitted that individual income tax has passed the point of diminishing returns. Secretary Snyder, in his testimony recently, pointed out that 58% of all taxable income is received by those earning less than $5,000 and that any further increase must come from that group. Possibly the new bill when passed will yield an additional $7 billion, which is a far cry from the $17 billion originally requested by Mr. Truman.

Primary receipts of wheat amounted to 1,792,000 bu compared with 1,670,000 bu last week and 1,940,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 318,000 bu.

Markets at one time were very weak but apparently the liquidation and selling was overdone. Therefore, when this subsided, there was a rather healthy recovery, led by wheat, but other grains also shared in the upturn. There was not too much activity in milling circles although a little better flour business was booked but in the main buyers seemed to feel that as long as prices have been declining that they may get their supplies cheaper. Sometimes, however, there is more business done after prices stabilize.

The pig crop was construed as a little bullish. The number was the third largest of record. This had a stimulating influence on the corn market, but the nearby delivery was still under some pressure and ruled at a substantial discount under September.

We understand that the Minneapolis Exchange will close this Saturday but a permanent policy has not yet been decided. This may be determined when the Directors in that market hold their meeting next week. Our market will close Saturdays during the summer months following yesterday's vote by the members.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

There was no specific news to account for early weakness although at one time it was stated that the U. N. might try to negotiate a peace plan on the anniversary of the start of the Korean war.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 22, 1951.

There was more rain over southwestern sections of the country, and the map indicated unsettled condition rather generally, which is anything but desirable for the areas where harvesting is about ready to start. We are afraid that with probably more rain to come we may lose some wheat as some of the plants have been blown down as a result of these heavy rains. In addition to the harmful effects to quality it may be difficult to get the grain safely in.

This apparently did not have very much influence on the market, although higher prices were registered when we opened this morning, and this we believe was largely due to an improved sentiment on the theory that export business would probably enlarge although some of the ECA funds will not beavailable for another month. This is a complication which had not been expected.

The Weather Bureau believes that for the next five days Kansas, Oklahoma, and Nebraska may have some heavy precipitation, with as much as 1 to 3 inches for Missouri, eastern Kansas, and Oklahoma, and 1/2 to 1 inch in the northwest and western sections of Kansas and Oklahoma. Considering that some of these territories are west of the 100th Meridian, where rainfall is often much lighter than elsewhere, it is quite surprising that the fall has been so persistent and heavy. Nature, of course, often has a way of averaging out and we had a prolonged drought during the winter, and even during the spring months there was not much relief so that altogether the distribution has been bad and we may have to revise our figures to some extent from the last government report although should remain mindful of the fact that where harvest is not yet ready to start there may be some offsets.

We heard that one of the large elevator concerns had bought back some of its receipts covering #3 yellow corn, and it is difficult to say whether this transaction was in response to a better demand out of Chicago, so that the grain would be merchandised, or whether there may have been some fear that the grade would not hold up during the hot months, but in any case it leads us to believe that possibly deliveries on July contract may be comparatively small. We understand that bids for corn along the Illinois river to go South via barge are higher than prices Chicago buyers will pay, and very likely former export sales are now attracting corn towards the gulf. There were no early bookings to come here, and in fact, the country has not been very interested in marketing corn since the declines first started.

Rains which are occurring in the spring wheat areas are naturally very helpful, although in Canada we find a slight decline during the past week in moisture conditions throughout the Prairies. According to the Searle Grain Company report, Alberta now stands at 100% of normal, but Saskatchewan is reduced to 83% of normal compared with 86% last week; Manitoba stands 94% vs. 97% last week. Alberta, which is the largest producing province has had some wonderful rains since April 1st and to-date there have been very few complaints. Since June is the critical month it is always desirable that they get ample moisture with not too much heat during this period.

We can never overlook inflationary influences in all countries, and it is not only the U.S. that has witnessed these difficulties since the start of the war. Canadian costs of living to Prairie farmers stood at 201.5 in January 1951. There probably has been a further rise since that time. This compares with 100 in the years 1935 to 1939, prior to the outbreak of hostilities. It means that when a farmer is considering the present day money prices his dollar likewise has shrunk in value, and in order to have a true picture of today's really honest values, one must always determine what the unit of measure is worth. Unfortunately there, too, those with fixed incomes or those living on endowments have suffered the most, but even the Canadian farmer has not been benefited fully, despite some advances in the price of grain because of governmental deals with Britain, which have kept the export price artificially low.

Primary receipts of wheat amounted to 1,204,000 bu compared with 1,337,000 bu last week, and 2,096,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 433,000 bu. When the visible supply is posted on Monday there will probably be a decrease which will compare with an increase last year of 5 million bu.

Trade sentiment was somewhat improved, markets did a little better, although milling demand is still quite indifferent, including quantities sold for export. July corn was very strong on the possibility of light deliveries. Beans and oil were weak on further liquidation.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 25, 1951.

The big news over the weekend was the peace overture by Jacob Malik. Some people wondered if a genuine desire existed for a peaceful settlement of the Korean situation why the news did not come from diplomatic sources. It was the first time, however, that Russia had even talked of "cease fire" or possible armistice at the 38th parallel without strings attached, but yet, a good deal of skepticism still exists, although everyone in this country yearns for peace and hopes for the best. According to news this morning the Chinese Communist Peiping radio had broadcast a statement by the Red Peoples' Daily News, claiming that the Peiping government fully supported Russian proposals for a "cease fire" in Korea. So this is all most encouraging to say the least. It may well be that the Chinese losses have been so tremendous that the desire for peace is much greater on their part than we have realized, and it is likewise possible that unless Russia were able to furnish more arms and equipment there would have to be a complete breakdown of the campaign.

The news was regarded as sufficiently optimistic to affect the stock market this morning, and grains were likewise very much weaker when we opened. It is always a fact that war is regarded as bullish; contrariwise, peace often brings lower prices, so today's liquidation was certainly not unexpected. However, we pointed out in our message right after the opening that after the first selling had been completed very likely more attention would be paid to other factors, and in particular the artificial supports and the high loans. If this news had broken on Friday night instead of Saturday, we hesitate to think what might have happened at Kansas City, which was the only market open for futures trading, and where the impact might have been very severe with longs all trying to liquidate in a smaller market. On the whole, we feel that if this new factor had not arisen prices would probably have been higher here in response to bad weather in the Southwest, with more and more rain coming at a time when cutting operations should spread to greater areas.

According to the BAE rains delayed the harvest during the week in the Great Plains and along the Atlantic Coast, although harvesting has extended northward to central Kansas and Virginia. We had any number of reports from our own offices that field work would be impossible for some time. Likewise hail and rain damage to crops is being reported in many instances. There is still no letup in the unsettled conditions, and our weather man is forecasting scattered showers tonight and Tuesday with little change in temperature. There will also be some scattered precipitation in the corn belt West of the Mississippi late tonight and tomorrow and east of the Mississippi Tuesday afternoon or night but somewhat warmer.

While corn prices were weak in sympathy with other cereals, there was also a little freer movement from the country, and we were told that some of the houses here in Chicago had bought more corn in the country, which is really the first time that this has happened in a long while. We heard that there were some men in the Department of Agriculture who are of the opinion that the corn acreage might be 88 million, which compares with the March government report on intentions to plant 85.6 million. They believe that the oat acreage will be about 44 million, or the same as the March report, but somewhat higher than private estimates. If they are right on soybeans the acreage would be 3/4 million under the March report, of 13 3/4 million. The same sources are talking of only 8 1/2 million acres devoted to sorghums whereas the government March report was 12 1/2 million, while last year it amounted to 10 1/2 million acres harvested.

When the visible supply of wheat was posted there was a decrease of 1 3/4 million bu, total stocks amounting to 145.6 million bu compared with 157.8 million last year. The corn visible decreased 2 1/2 million to 41.8 million vs 40.8 million a year ago. Oats increased 368,000 bu to a total of 13.6 million bu vs 10.3 million last year. Chicago stocks of wheat were very little changed at 4 million; locally corn decreased 771,000 bu to 11.4 million bu; oats increased 275,000 bu to 6.1 million bu; changes in rye and barley were not particularly great, but there is only about 1 million bu rye left here.

Shortly before the close, Mr. Truman made a radio talk but there was no specific mention of the Russian peace proposals, nor was Mr. Malik called by name. He reiterated his hope for an honorable peace.

The market showed some recovery from the low point of the day but there was no enthusiasm to buy, and presumably a good many people figure that if wet weather continues Southwest there may be some moist wheat forced on the market which might otherwise go into the loan. Beans and oils were likewise very weak.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 26, 1951.

There was some heavy moisture again over parts of Nebraska, also an inch of rain reported at Topeka, Kansas, but elsewhere in the Southwest a more settled condition prevailed. To that extent the improvement is favorable except that there may have been a considerable amount of damage already sustained by the wheat plant which had ripened in the Southwest. These heavy rains, hailstorms, and floods occurred over many sections of Kansas, and some of the late reports are to the effect that high water is receding in some places, but on the other hand, we also had heavy rains Friday and Saturday of last week around Wichita, Hutchinson, etc., all of which is exceptional at this time of the year.

The trade probably continues to pay more attention for the moment to international affairs. While a good deal of skepticism is expressed with respect to Malik's peace proposal, nevertheless, it cannot be ignored, and it may mean the beginning of negotiations for settlement. With this in mind trade will be extremely cautious, and in fact markets are apt to be erratic depending on further developments on the diplomatic front. Finally we believe that wheat will respond to the matter of impoundings, and if there should ultimately be 200 million bu placed under the loan it would naturally have more influence than a year ago in view of the fact that prospective supplies are somewhat less than they were in 1950.

One forgets rather quickly events of the past twelve months, and in order to refresh our memories, as well as those of our readers, we looked up the total quantity of wheat which was taken out of commercial supplies. By end of January the government showed that 196 million bu had become sterile; this compared with 378 million bu the year before --quite a difference, in fact to the extent that from this time last season to the end of December price fluctuations were not severe, and December wheat, which on July 1, 1950 stood at $2.27 1/2 per bu, rose, but fell again to $2.30 on September 1st, but declined again to $2.26 by December 1st. We find also that during July and August of 1950 only 57 million bu of wheat was impounded, while the year earlier the amount was 167 million bu. So the trend was already in evidence during the early part of the season. In contrast to this, the market two years ago showed a greater response to the large quantities of wheat which were put into the loan, and December wheat, which was $1.98 1/2 on July 1, 1949, advanced rather steadily until it reached a point of nearly $2.19 on December 1st. Almost each month in between there were some rises in price, which at least is partial evidence that the loan must be reckoned with, although there may have been a good many other factors which likewise influenced markets and prices during both of these periods. It should also be pointed out that of equal importance is the amount of wheat which is redeemed. From the peak reported in February, when 196 million bu were under loan, the figure dropped to 107 million bu on April 30th, and probably more if later figureshad been issued. This indicated that farmers found a better place for their grain; thus, the quantities reclaimed were fairly heavy, so that together with supplies held by the government under the export program, we shall probably end up with only about half of the estimated 360 million bu reserve in the hands of federal agencies, while the balance will be available for the free trade.

Primary receipts of wheat were just short of 1 1/2 million bu. This was about the same as last week and compared with 2.3 million bu last year. Kansas City and Minneapolis stocks so far this week show virtually no change.

Markets were a little higher during most of the session but there was no great inspiration for purchases, except the possibility that southwestern conditions have deteriorated, but as an offset we are told that spring wheat districts had probably improved since the government report and while the figure of 349 million bu may have been a little high at that time the good weather during June may have made the government estimate in line with reality. The past week was quite favorable for all crops in the Northwest. Weather was on the cool side and with the exception of a few isolated areas there has been a fair amount of rain. Strangely enough the crop is pretty well headed out up to the North Dakota border. Milling demand is only moderate but some hedges were lifted today and there seems to be export business right along despite the small quantities reported daily. Contract stocks of wheat in Chicago are still 2.6 million bu including 1.8 million bu #2 red wheat. Thus, there may be some deliveries on the first of the month although elevators are changing over some short July hedges to September at 3 7/8¢ difference. Best prices did not hold.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 27, 1951.

There was nothing decisive overnight in the peace talks. As a matter of fact Mr. Malik has denied himself to interviewers, but on the other hand our country was trying to make direct contact with the Kremlin in an effort to find out what the "cease-fire" proposal embodied. With that in mind, and also because the maritime strike had been settled on the Atlantic Coast, as well as at the gulf, we had a somewhat higher opening. The market apparently is not ready to go up too fast yet, and in fact, on many occasions it acts rather heavy, with a good many people hesitant to make commitments, and those who would ordinarily take a stand intending to make a six-month commitment are awaiting further news on international developments, which means that buying support at the moment is rather light.

There is further pessimism expressed in the Southwest, with respect to heavy rains that have occurred. Precipitation in Missouri was again widespread, and the same in eastern Kansas, with an unsettled condition still prevailing; therefore, not much immediate chance for relief. According to one of the press services, damage to crops, livestock, and stored grain is $22 to $24 million, and they term it the most pessimistic condition in the last twenty-five years. This apparently refers to Kansas farmers, and they attribute the account to Mr. H. L. Collins, Agricultural Statistician. Flood waters have caused damage in the state to between 200,000 and 300,000 acres of farm land and crops.

Otherwise, there was not very much to guide us this morning except that conditions in the Northwest and in the Canadian provinces are very satisfactory. Scattered showers have occurred and more apparently are predicted. There will probably also be more moisture tonight and Thursday with rather warm temperatures over the corn belt.

Broomhall's Foreign Summary of crops is favorable for most of Europe, growth being satisfactory, while weather is warm with occasional rains. Prospects for wheat and other grains are now described as excellent. Acreage, however, will be a limiting factor in wheat. Improvement is reported in France, although it is still felt that the outturn will be well below last year owing to the adverse conditions which existed earlier. In Western Germany prospects have been maintained although the acreage to wheat and rye is somewhat lower than last year, while barley is moderately higher.

A good deal of the buying in the early trade was of a local character. Commission houses had no large volume while export trade was limited, and we saw no early evidence of hedges being taken out of the market, such as occurred yesterday.

Black Sea exports last week indicated that no wheat had been shipped but 206,000 bu corn, 333,000 bu barley, and 210,000 bu oats, all for the U. K. The total of all grain exports since August 1st has amounted to 47 million bu, which is compared with 56 million a year ago. A good many people feel that oats are comparatively cheap and that the farmer will sell rather sparingly at present prices. However, we are still importing some of this grain from Canada, and another steamer is destined for Chicago carrying 410,000 bu.

Primary receipts of wheat were quite small, and amounted to 621,000 bu compared with 765,000 bu last week and 2.1 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 31,000 bu.

Trade was not particularly active but markets had a little firmer undertone and this referred to cereals other than wheat as well. There is some talk that the acreage which will be sown to sorghums may be cut but probably not as much as was mentioned by some government men in the Department of Agriculture. With the wet weather in Kansas it seems difficult to get seeding accomplished. Flour mills were doing only a limited business. Some firms are still hoping for lower prices but from our conversations with the trade we believe that current inventories are quite small. There was further buying of July wheat against sales of September at 3 7/8. This difference was nearly a full carrying charge, and it appears as though elevators were satisfied to go into the later positions.

Short covering in December corn was a factor, while in oats there is no pressure. The decline has been drastic and sentiment seems to favor a long position.

Late in the day Mr. Malik was questioned on the conduct of his dramatic broadcast of last Saturday, and he emphasized that his radio talk at that time clearly enough demonstrated his views on the Korean question.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 28, 1951.

Reports this morning told of an urgent message sent by the Premier of Iran to President Truman, expressing his desire to keep oil flowing to the West. There was no hint of a compromise between Britain and Iran over nationalization. It was plain, however, that there was grave concern over the threat of recent resignation of British employees, which in all probability would cause a close-down of operations. According to the dispatch the President had been invited to mediate, and a Foreign Office spokesman in London said that Britain would welcome any U.S. steps to break a deadlock in the oil dispute.

This was regarded as somewhat more favorable than previous news, and possibly a compromise may result. As for Korea there is still nothing decisive, but as long as various parties are on speaking terms and both sides intimate a willingness for discussions, we can be hopeful that something favorable may occur. Russia apparently takes pride in statements that are officially made, and it has been intimated in the press that any reversal from the Malik peace proposals might bring reprisals even to a point where the UN would see fit to bomb Manchurian bases. With this in mind our markets felt the effect of a little more peaceful feeling that might be generated, and while there was no appreciable selling, at least supporting orders seemed to be lacking.

Very shortly another crop-year will come to an end, as far as wheat is concerned. The amounts shipped for export were considerably heavier than had earlier been expected. We shipped 6.3 million bu during the past week, which brings the total for the season to 348 3/4 million bu compared with only 291 3/4 million bu last year. Thus, it is possible that our carryover stocks will be cut to about 350 or 360 million bu, which is still considerably better than normal but less than the 400 to 425 million bu which seemed likely last December. It is still too early to tell what our total supply picture will beas of July 1st for the reason that some deterioration has taken place in the Southwest, and we are not yet far enough along in the spring wheat areas to come to a real determination of the size of their crops. In any case it still seems likely that the combined crop and carryover will be about as much as last year, and this also must be regarded as an accomplishment when we consider the poor outturn in Texas and Oklahoma, and the cuts that have occurred elsewhere. There is still not much pressure from the movement of grain, and much of this is due to the unsettled weather conditions that have prevailed for the past few weeks, with still no relief in sight, as far as the Southwest areas are concerned. Besides there have been no really warm temperatures, and while this seems satisfactory for spring wheat we have to be prepared for some losses in Kansas and possibly Nebraska, as the over-all weather with floods, hailstorms, and other damage has undoubtedly caused deterioration since the government figures were issued.

It was also very wet over Illinois and Indiana, but it is doubtful except for isolated instances that this brought about much damage. Chances are that clearing conditions will prevail over the corn belt starting this evening. There may be some exception with showers in the Ohio River Valley tonight. An advance of 2¢ per bu in the Atlantic subsidy was looked upon as a first step toward stimulating export business in spring wheat, as exporters have been unable to offer within the IWA maximum up to the present time.

Primary receipts of wheat amounted to 1,127,000 bu compared with 1,792,000 bu last week, and 2,741,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 108,000 bu.

Inspite of wet weather over the Southwest, and lack of pressure, markets had an easy undertone. The fact that securities were weak indicated what the thinking was with respect to possible peace, and on the whole buyers seemed rather guarded in their actions. Milling demand is still slack, and the same feeling pervades that market with peace hopes in which case many believe that temporarily prices will sell further under the loan than they are at the present time. Export sales are also rather slow, so there is no particular encouragement from that source. July soybeans became rather strong at one time, reacting sharply fromthe low point, and soybean oil was quoted 1/2¢ higher, which indicated some improvement in the demand. Corn prices, while lower, showed firmness for the nearby compared with the deferred, but we can never overlook the possibility of heavy feeding operations with the large animal population. The Chicago corn-hog ratio for the week ended June 23rd was 12.7 compared with 12.1 last week, and 12.5 last year. Oats were weak, and there is some comment that there may be 1 million bu or so tendered, probably representing recent imports from Canada.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 June 29, 1951.

News from Iran was not as optimistic as had been pictured yesterday, and apparently there is still much to be hoped for in a settlement of the oil dispute, which that country is having with Britain. On the other hand, the Chinese and North Koreans are apparently willing todiscuss peace terms, and while there was nothing definite on overnight developments, it still looks very favorable that some agreement may be reached before long.

All this is having its effect on commodity and security markets, and a new low was made today right after the opening for September wheat and November beans, also a good many other futures, with routine news more or less neglected. There had been a good deal of moisture again in the Southwest, and the situation is quite serious, particularly as no indications for clearing weather are yet in sight. Over the corn belt rains were heaviest east of the Mississippi, but it was mainly dry in Iowa. Chances are that clear skies will prevail over spring wheat districts.

Another factor today was the question of deliveries, or at least tenders, on July contracts, with early intimations that more than a million oats would circulate on contract with a fair amount of wheat and smaller quantities of corn. As a matter of fact with the strong cash position of corn, it would surprise us if very much corn were tendered based on present relationships. In fact, we understood that one of the industries paid a pretty good premium for supplies; so under these conditions merchandising operations are more profitable than making a delivery.

We continue to hear that crop prospects in Europe are not measuring up to those of last year, and Broomhall was slightly pessimistic this morning when he stated that France would probably not be able to supply any wheat for its TWA export quota in 1951-52 even though she was scheduled for about 4 million bu, the same as last season. It seems that the acreage did not reach the goal intended, and with rainy weather, high winds reported the harvest will surely be much smaller than in 1950. We had some offsets, of course, and Canada continues to make a very good showing. According to the Searle Grain Co., there is a 2% improvement in the Canadian moisture condition this week. It now stands at 91% of normal compared with 89% last week and only 75% a year ago.

Trade was not too much impressed with the report on soybean crushings, which amounted to 21.2 million bu for May. There was a slight reduction from last month but nearly 5 million larger than last year. As a matter of fact soybean stocks remaining on hand in processing plants have been cut to 42 million compared with 34.7 million a year ago. This is a very satisfactory showing and indicates that industries have been extremely busy. The fact that there are only about 7 million bu more beans on hand than last year, despite a record crop, would undoubtedly have been construed in a more bullish vein except for the fact that meal stocks are very heavy and amount to 180,168 tons compared with 83,604 tons a year ago. Likewise, crude oil stocks are heavy and amount to 124,800,000 lbs vs. 91,462,000 lbs a year ago. The fact that there will probably be no appreciable rollbacks, if any, on meat is somewhat bullish on corn and may encourage feeding, but we note that the number of cattle now on feed in the principal areas of Illinois and Iowa is approximately 14.5% less than a year ago, according to a study made by the Chicago Union Stock Yards. Some of the reduction was explained in part because of larger quantities that were marketed early this year, also due to smaller replacements. However, to the question of intentions 29% of the replies from inquiries were that replacement of cattle would be in about the same volume as last year, but answers from others were quite indifferent.

Primary receipts of wheat were nearly 2 million bu compared with 1.2 million last week and 2.3 million last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 58,000 bu. The net change in the visible on Monday may not be large, and will certainly not show the big increase of 5.4 million which it did a year ago.

After mid-session the Santa Fe report cut the Kansas and Oklahoma crop by 25 million bu from government figures.

There was a press dispatch from Flushing Meadow indicating that U N experts believe General Ridgway might move within 24 to 48 hours to obtain a Korean cease-fire status.

In flour circles peace news was also responsible for poor business and nobody wants to make commitments too far ahead. While there were some tenders made on July corn contracts it was also reported that Chicago elevators had sold a substantial amount of corn FOB cars at better than delivery price plus the full loading charge. The nearby month gained again on the deferred

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.
CHICAGO, 4

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

July 2, 1951

The big news over the week end was, of course, the answer from the Chinese and North Korean Reds to discuss "cease fire" in Korea. The terms were not identical with those proposed by General Ridgway, but, naturally, the enemy probably figured that it had to put up a front and Kaesong, the former capitol, was chosen as the spot for the discussion rather than a Danish hospital ship, which really makes no great difference. It may be a partial face-saving device, for technically this location is in Red-held territory, and is inside of South Korea, being located almost at the 38th Parallel. There was no immediate response from our Supreme Commander, probably for the reason that the information had been received in fragmentary form, but the date of the meeting was also postponed to a period from July 10th to 15th, probably also an indication that the enemy did not want to admit they were suing for an immediate settlement. The main issue, of course, is that the Supreme Commander of the Korean peoples army, together with the Commander of the Chinese Volunteers, was ready to meet with United Nations representatives in an effort to conduct talks concerning the cessation of military action and the establishment of peace.

The stock market, which opened before we did, showed some declines, but nothing very serious, and, in that connection there were no big surprises, so for that reason both security and commodity markets were little influenced. We had other factors in grains which were probably regarded with equal interest. During the Saturday holiday Minneapolis and Kansas City markets showed a better undertone for wheat prices. Advances were largely due to wet weather in the Southwest, and rains have already taken a heavy toll. According to the Santa Fe report Kansas may only produce 140 million bu, and might conceivably have a smaller harvest if the rains continue. Oklahoma, which was also cut some 4 million bu, makes the total reduction for those two states about 25 million bu. Weather over the week end was a little more favorable. There had been very little moisture in Kansas during the past two days, but an unsettled condition still exists, and there may be some scattered showers today and tonight in western and southern sections, while Tuesday skies will be overcast with scattered thundershowers again.

We also had an increase in parity prices, which now makes the wheat loan $2.18 per bu for #2 grades on a national average, or 1¢ higher for #1 hard wheat. The Chicago loan will be $2.50 per bu, although it is the first year that farmers will have to pay storage on warehouse grain, so that if the 10 1/2¢ maximum charge is deducted the return to the producer would be close to $2.40 per bu. This is still considerably higher than July and September wheat at Chicago, and may have been responsible for a somewhat stronger opening, as well as other factors which we have mentioned. The Kansas City loan will be $2.45 per bu, the same discount under Chicago as last season, while the Minneapolis loan will be $2.47 per bu, with Galveston and other gulf ports being established at $2.57 per bu. There were no great surprises here either as the loan is a mathematical computation and for basic crops is 90% of parity.

When the visible supply of wheat was posted, there was an increase of 1,359,000 bu bringing the total to nearly 147 million bu compared with 163 1/4 million bu last year. Corn showed a substantial decrease of 3.1 million bu reducing the stock in various terminals to 38 3/4 million bu against 40 million bu last year. Oats showed a small increase. Stocks now total 13.7 million bu against 10.3 million last season. In Chicago there was a small increase in wheat stocks but we still have 3.8 million bu left. Corn decreased 1.4 million bu to roughly 10 million bu. Oats increased 227,000 bu to 6.3 million bu while there were only minor changes in rye and beans.

After mid-session, markets which had been firm became strong and the psychology that now exists is that if we have peace there will be lots of rehabilitation. Many countries will need our food, while at the same time prosperity at home, which means high consumption of meat will cause heavy disappearance of feed grains.

There was a little more aggressive buying of cash wheat in the southwest by an elevator concern. However, the movement is still delayed by wet weather. We doubt whether over 15 to 20% of the crop in Oklahoma has been sold. Some is going into storage and producers may later apply for loans. At Kansas City, the arrivals are still coming from isolated territories where it had been dry enough to harvest. Flour business was rather poor over the week end but with an upturn in price there may now be some improvement despite the hopes for peace. Chicago

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

elevators continue to make good sales of corn for shipment out of this market at a price that figured better than a delivery basis. This had a rather stimulating effect on the futures market. Beans were very strong.

UHLMANN GRAIN CO.

The trip came, over the week-end was, of course, the answer from the [illegible] and North Korean Reds to discuss "cease fire" [illegible] operational with them proposed by General Ridgway, but, [illegible] figures that it had to put up a front and Panmunjom, the town [illegible] was the spot for the discussion rather than a [illegible] great difference. It may be a partial face-saving [illegible] tion is in dead-hold territory, and is inside of enemy [illegible] of the 38th Parallel. There was no immediate response from [illegible], probably for the reason that [illegible] many hours, but the date of the meeting was also postponed [illegible]

[illegible] ing for an immediate cease-fire. The [illegible], of course, is that [illegible] Commander of the Korean peoples army [illegible] with the Commander of the [illegible] Volunteers is used with [illegible] to conduct talks concerning the cessation of hostilities in an [illegible] of peace.

DAILY MARKET LETTER

[illegible] tore we did, showed some [illegible] [illegible] on both security and commodity markets was [illegible] [illegible] in [illegible] which were probably responsible [illegible] Saturday holiday Minneapolis and Kansas City [illegible] showed a better [illegible] for wheat futures. Advances were largely due to [illegible] in the [illegible] have already taken a heavy toll. According to the [illegible] only produced 140 million bu. and might conceivably [illegible] [illegible] continue, Oklahoma, which was also [illegible] million bu. [illegible] tion for these two states, about 25 million bu. [illegible] the [illegible] more favorable. There has been very little moisture in Kansas [illegible] two days, but on smaller quantities [illegible] [illegible] today and tonight in western and southern sections, while [illegible] be overcast with scattered thundershowers again.

[illegible] also had an increase in parity prices, which may [illegible] [illegible] 2.13 per bu for 64 grades on a national average, [illegible] Chicago loan will be $2.30 per bu, although it is [illegible] pay storage on warehouse grain, so that if the [illegible] and the return to the producer would be close to [illegible] bu. [illegible] [illegible] higher than July and September when [illegible] [illegible] for a somewhat stronger opening, as well as [illegible] [illegible] The Kansas City loan will be $2.15 per bu, the same [illegible] last season, while the Minneapolis loan will be [illegible] per bu, with [illegible] of parity probably being established at [illegible] per bu. [illegible] either as the loan is a mandatory [illegible]

DAILY MARKET LETTER

[illegible] be last year. Corn showed a substantial increase [illegible] in various terminals to 39 3/4 million bu [illegible] 10 million in last year [illegible] a small increase. Stocks now total [illegible] bu [illegible] 10.3 million [illegible] Chicago there was a small increase in [illegible] [illegible] million bu [illegible] 1.4 million [illegible] to only [illegible] million bu. [illegible] [illegible] 137,000 bu to 6.3 million bu while there was [illegible] in [illegible]

[illegible] and-cessation, results which had been first [illegible] [illegible] is that if we have peace the [illegible] [illegible] will be [illegible] [illegible] will cause heavy disappearance of [illegible] [illegible] more [illegible] [illegible]

[illegible] and producers may later apply for loans. [illegible] [illegible] loan business was further [illegible] [illegible] [illegible] may be some improvement in the loans for [illegible] [illegible] of course for [illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 3, 1951

On June 29th the Production and Marketing Administration announced that a wheat price support at a national average of $2.18 per bu to farmers would be available for the 1951 crop, or an increase of 19¢ above last year. The Chicago loan figures $2.50 per bu, which compares with the initial loan made to farmers of 77¢ a bu in 1938. To what extent this has caused inflation in our country, together with other artificial factors, we leave to the imagination of our readers. There can be no doubt concerning the proposition that when government non-recourse loans on commodities are unrealistic and too high, that ownership of the commodities will pass to the government by default. This, however, has not been too serious for the reason that we have been giving away wheat or selling it under a huge subsidy to European and Asiatic recipients. As a result, supplies, while high, did not pyramid to the extent that they exerted a depressing influence on our price structure. The commodity support program was conceived and started in a time of reduced agricultural economy. It was designed to provide, among other things, reasonable loans to carry the farmer over until such time as his products would increase in value to a point that would yield him a better return. That concept, however, has been completely abandoned with the result that the initial loans of modest proportions have been raised almost successively year after year to a figure that is almost humorous at the present time, except for the very serious aspects which areinvolved. In other words, the relatively modest loan at the beginning of the program has more than trebled, and at a time when the farmer is enjoying great prosperity.

If we go a little further and compute values on the farm, the loan price which was originally 53¢ per bu in 1938, has been increased to $2.18 at the present time, or more than four times the original figure. We do not believe that any permanent program based upon constantly rising loan prices can do anything but achieve the inevitable result of the accumulation of unmanageable and unworkable surpluses with resultant injury to the farmer and to our economic system as a whole.

Shortly after the opening Mr. Galvin gave his estimate of this year's production, indicating a winter wheat crop of 691 million bu compared with the government figure of 705 million bu on June 1st. However, spring wheat was raised to 360.5 million bu, so that we still have a prospect for a total harvest of 1,051 million bu, which may still be regarded as most favorable if the present promise finds fulfillment. On the assumption that these figures are about in line with final results, and assuming a carryover reserve of 350 million bu, we shall start the crop season with a supply of 1,401 million bu. Since home consumption, including wastage, seed, etc., does not account for more than about 730 million bu, it should leave us with 671 million bu for export and next carryover. If we assume that shipments in the next 12 months are about the same as they were during the past season, we would still have nearly as much wheat on hand a year from now as we do at present, so we are not making too much headway in cutting our accumulations to a prewar basis. On the other hand, with the very high loan there is a chance that more wheat will be impounded this season, and for that reason an artificial situation may develop later on.

The same expert figured that corn would tentatively yield 3,280 million bu, which would be somewhat higher than last year's crop of 3,131 million bu. The oat production was estimated at 1,356 million bu versus the government forecast of 1,340 million bu.

Primary receipts of wheat were nearly 2 million bu compared with 1 1/2 million bu last week and a holiday last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 15,000 bu.

There was further unsettled weather Southwest, which is unfavorable but with rather cool weather in the Northwest and some moisture, a big crop is indicated, which would suggest that Canada likewise might have big yields. All this was construed in a somewhat bearish vein. At Kansas City the wheat coming to market is from a very small territory, mainly in southwestern Missouri and southeastern Kansas, and it will take a few days of clearing weather before much of an increase in receipts could be expected. Milling demand showed some improvement but export sales are still relatively light.

July corn was strong and gained on the deferred months. July beans were again higher, and with the relatively small stock in Chicago, the balance is quite delicate and it is difficult to figure what the outcome will be.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

[illegible]

[illegible] W. ADDISON, [illegible]

CHICAGO, [illegible] July 3, 1931

On June 29th the Production and Marketing Administration announced [illegible] wheat price support at a national average of $4.40 per bu to farmers [illegible] total for the 1931 crop, or an increase of 19¢ above last year. [illegible] 2.5¢ per bu, which compares with the initial loan made to farmers of 77¢ [illegible] in 1928. To what extent this has caused confusion in our country, together with [illegible] artificial factors, we leave to the imagination of our readers. There can be no [illegible] concerning the proposition that when government non-recourse loans on [illegible] top [illegible], that ownership of the commodities will pass to [illegible] government by default. This, however, has not been too serious for the reason [illegible] we have been giving away wheat or selling it under a huge subsidy to European [illegible] Asiatic recipients. As a result, supplies, while higher and pyramid to the [illegible] that they exerted a depressing influence on our price structure. The commodity [illegible] program was conceived and started in a time [illegible]

It was designed to provide, among other things, reasonable loans to carry the [illegible] over until such time as his product would increase in value to a point that [illegible] would yield him a better return. That concept, however, has been completely [illegible] with the result that the initial loans of producers proportions have been [illegible] most successively year after year to a figure that is almost harmonious of the [illegible] at time, except for the very serious aspects which [illegible] involved. In other [illegible] relatively modest loan at the beginning of the program has more than [illegible] at a time when the farmer is enjoying great prosperity.

If we go a little further and compute values on the farm, the loan rates [illegible] was originally 33¢ per bu in 1928, has been increased to $2.18 at the present [illegible], or more than four times the original figure. We do not believe that any [illegible] program based upon constantly rising loan prices can do anything but [illegible] inevitable result of the accumulation of unmanageable and unmarketable [illegible] resultant injury to the farmer and to our economic system as a whole.

Shortly after the opening Mr. Davis gave his estimate of this year's production, indicating a winter wheat crop of 591 million bu compared with the previous [illegible] figure of 705 million bu on June 1st. However, spring wheat was raised to [illegible] million bu, so that we still have a prospect for a total harvest of 1,[illegible] which may still be regarded as most favorable if the present promise lies fulfillment. On the assumption that these figures are about in line with final results, [illegible] assuming a carryover reserve of 350 million bu, we shall start the crop season [illegible] supply of 1,101 million bu. Since home consumption, including seed, [illegible] does not account for more than about 730 million bu, it should leave us with [illegible] million bu for export and next carryover. If we assume that shipments in the [illegible] 12 months are about the same as they were during the past season, we would [illegible] nearly as much wheat on hand a year from now as we do at present, so we [illegible] not realizing too much headway in cutting our accumulations to a proper basis. On [illegible] other hand, with the very high loan there is a chance that more wheat will be [illegible] this season, and for that reason an artificial [illegible]

The same export figures indicate that corn would [illegible] 3,840 million [illegible] would be somewhat higher than last year's crop of 3,121 million bu. [illegible] consumption was estimated at 1,350 million bu versus the government forecast of [illegible] million bu.

Primary receipts of wheat were nearly 2 million bu compared with [illegible] million bu last week and a month ago last year. Kansas City and Minneapolis [illegible] so far this week show a net decrease of 15,000 bu.

There was a further unsettled weather condition, which is unfavorable but [illegible] ther cool weather in the Northwest and some moisture, a big crop in Canada, [illegible] a still suggest that Canadian farmers might have big yields. [illegible] was [illegible] in a somewhat hurried way. At Kansas City the wheat coming to market [illegible] very small in quantity, mainly in southwestern Missouri and southeastern [illegible] and it will take a few days of clearing weather before it is in shape [illegible] could be graded. Milling demand showed some improvement but [illegible] still relatively light.

[illegible] are [illegible] stocks on the deferred months. July [illegible] and with no relatively small stock in Chicago, the [illegible] it is difficult to figure what the outcome will be.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

July 5, 1951

CHICAGO, 4

There was no special news over the 4th of July holiday. Winnipeg was the only North American market open, but price changes up there were nominal and had no bearing on us. There continues to be an unsettled weather condition over parts of the Southwest, and while rains were not particularly heavy it still looks as though some scattered showers were in prospect and the same refers to spring wheat areas also. The trade still had in mind that despite deterioration, which is undoubtedly taking place in the Southwest, that the Galvin Report did not reflect too serious a condition but it will be interesting to see how the government will appraise production when the estimate is made on July 10th showing the condition and possible yields of all grains. Three cargoes of wheat were sold to Holland but there was not much evidence of hedges being covered although first prices were a little firmer but the trade is extremely cautious and many believe that when harvesting starts in earnest that the movement will concentrate from many sources at the same time, and thus, we may have further downward reactions , at least for a short period. On the other hand, impoundings are bound to be heavy provided that the grain qualifies for the loan as to grade and it will probably take a period of dry weather to bring this situation about. Otherwise, there may be some wheat forced onthe free market if the keeping qualities are not satisfactory. Thus, there is a good deal of speculation as to what will occur during the next two or three weeks, and likewise some uncertainty as to the price relationship of Kansas City and the Southwestern markets to Chicago. As usual, we will probably be a red market with the Illinois crop claimed to be in satisfactory condition and the yields running about 9 million bu larger than a year ago. On the other hand, east of us there will undoubtedly be some reductions so the total amount of soft wheat may not be too burdensome.

There were no Black Sea exports reported during the past week but Australia continues to clear rather large quantities and in the past fortnight 6 1/4 million bu were shipped bringing the total to 63 1/2 million since January 1st compared with 54 million a year ago. There still remains for export and carryover 84 1/2 million bu compared with 100 million last season and 84 million two years ago. According to gossip received a good soaking rain in that country has put most of the crop in fine condition. Early estimates predict a wheat yield next November of about 170 to 180 million bu on a smaller planted acreage. According to Broomhall unsettled weather has occurred over some sections of Europe where sunshine is wanted but for the most part conditions recently have been satisfactory. Probably too much rain fall in France and there is some fear of possible lodging although weather has now cleared. No recent estimates have been made but results will probably be poorer than last year. Weather in Italy now favors harvest although it has been unsettled in Germany. We heard of another cargo of Canadian oats headed for Chicago from Fort William. Apparently it is carrying 425,000 bu of grain and may finally find its way on deliveries either for July or September.

Primary receipts of wheat amounted to 2,371,000 bu compared with 1,127,000 bu last week and 1,827,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 49,000 bu.

Trade was rather quiet today. There were no particular incentives and the milling demand,which showed a little upward tendency on Tuesday, was back again to a period of inactivity, with bakers mostly on the sidelines. While Kansas City receipts were very small and even trivial compared with last year, we do believe that weather was more favorable for harvest over the holiday; at least, some sections of Kansas reported some deliveries of wheat, and this extended as far north as the Nebraska line. It looks very much as though by the first of the week those receipts would start to increase. We also heard that the movement in southern and central Illinois was enlarging. Under these conditions, new buyers are a little hesitant. There was some selling of September and November beans by locals which found the market rather poorly supported. July corn was again outstanding in that it held up well while other grains were lower. Elevators have increased their asking price for shipments out of this market.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

July 5, 1951

There was no special news over the 4th of July holiday. Trading was only North American market open, but price changes up there were nominal due to holiday on us. There continues to be an unsettled weather condition over no doubt as it, and while rains were not particularly heavy it still rains as it may be scattered showers were in prospect and the same voters to spring wheat. The trade still had in mind that despite deterioration, which is in progress in place in the Southwest, that the Dakota region did not reflect too much of it but it will be interesting to see how the government will appraise the situation. The estimate is made on July 10th showing the condition and possible yield of crops. Three carloads of wheat were sold to Italy, but there was not much of it of holidays being covered although first price is little higher. In the strongly contrary conditions and many believe that when it is finally in the government will concentrate from many sources at the same time, adding more further downward reactions, at least for a short period, on the old conditions are bound to be heavy provided that the grain matures. and it will probably take a period of dry weather to bring this out. Otherwise, there may be some wheat forced onto the market. Conditions are not satisfactory. Thus, there is a good deal of speculation.

Price relationship of Kansas City and the Chicago markets, and the Illinois crop claimed to be in good condition and the yields running about 9 bushels in larger than a year ago, the other hand, most of us there will probably be some reduction in the number of soft wheat may not be too favorable.

Exports reported during the past week were small, stocks continues to show rather large quantities are in the port terminals, 1 million bu were shipped bringing the total to 66 1/2 million since June 1 as compared with 41 million [illegible] for corresponding period last year. [illegible] 1/2 million but compared with 70 million last season and 9 million [illegible]. According to gossip received a good working rain in that country has put the crop in fine condition. Early indications point to about yield from about 170 to 180 million bu on a similar planted acreage. According to Brazil's official weather bureau occurred over some sections of Europe, where [illegible] but for the most part conditions recently have been satisfactory. Recently much rain fell in France and there is some fear of possibly lodging although [illegible] is now clear and. No report.

[illegible] only be poorer than last year. Weather in Italy has favored harvest, though it is soon unsettled in Germany. Weather of central Europe of [illegible] Chicago from Fort William. Apparently it is carrying 45,000 bu or [illegible] only the trade is way on dollar price [illegible] for July or September.

[illegible] any receipts of wheat are stated to 4,372,000 in comparable week 1,427,000 on last week and 1,481,000 in last year. Kansas City and [illegible] so far this week show a net decrease of 49,000 bu.

Trade was rather quiet today. There were no particular features [illegible] the trading demand, which showed a little upward tendency on Tuesday, was [illegible] to a period of inactivity, with [illegible] activity on the sidelines. While [illegible] receipts were very small and [illegible] compared with last year, we [illegible] that weather was favorable for harvest over the holiday at least. [illegible] sections of Kansas reported some delivery of wheat, and this [illegible] as the Northern line. It looks very much as though [illegible] those really is would start to move. We also heard that the [illegible] and central Illinois was quite [illegible] under conditions, now [illegible] a little bearish. There was some selling of [illegible] [illegible] [illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 6, 1951.

The government has announced the loans on various grains of 1951 production with the exception of corn, but the Secretary of Agriculture has stated it will be 90% of parity at the beginning of the crop season. The support prices are for loans or purchase agreements of the various grains.

COMMODITY	1951 CROP	1950 CROP
Average on Farms		
Wheat	$2.18 per bu	$1.99 per bu
Oats	.72	.71
Barley	1.11	1.10
Rye	1.30	1.28
Soybeans	2.45	2.06
Grain Sorghums	2.17 per CWT	1.87 per CWT

Corn loan last year was an average of $1.47 a bu on the farm and the present parity of $1.76, if maintained until October, would indicate a loan of $1.58, thus the government support is higher for all grains. Although it is up only a cent or two for some of the feed grains, others such as corn and sorghums are substantially higher and wheat 19¢ above the 1950 average. Official Washington states that the continual need for food in the uncertain world situation makes it advisable not to establish acreage allotments or marketing quotas for the 1952 wheat crop. They have also stated that 1949 crop corn loans may be extended in cases where the corn can be safely stored on farms for another year. That crop loan was started at an average of $1.40 per bu and 10¢ storage is due for resealing in 1950 and another 10¢ if resealed again so that producers would get $1.60 from the loan and storage provided that they eventually turn the corn over to the government, otherwise no storage would be paid to them. However, it protects the farmer marketwise to levels about equal to the probable 1951 crop loan. It is stated that there is currently outstanding about 57 million bu of 1949 corn loan.

These support levels are based on 90% of parity for wheat, corn, and soybeans and 75% of parity for the other grains. The Secretary of Agriculture has a great deal of discretion in the percentage of parity and has chosen these relatively high rates in order to induce producers to keep the production large. Lower rates might be chosen in the future and parity itself will register the amount of inflation or deflation which this country might have. Some grain prices are currently lower than support levels reflecting conditions even though not too long ago ceilings were established on soybeans at levels higher than parity relating to pre-Korean price levels. Ceilings were threatened on other grains because they had advanced to close to parity levels. Now that tension has eased in Korea it appears that there will be some easing of credit controls so that civilian buying may continue to absorb the large output of products manufactured while we were starting on expanded defense efforts and there is some thought that there might be a slower long range rearmament program which, if it develops, might mean less government spending and, therefore, less upward pressure on prices.

Advices from southwest Kansas today stated that harvest was getting into full swing after two days of good weather. Some wind and sunshine have put the grain in shape to store, with one advice stating that practically all of it is being withheld from the market. Storage is likely to be an important factor in the southwest where quality permits, but in the eastern areas directly affecting the Chicago market historically the farmers have not taken much advantage of the loan because of their lack of sufficient storage space.

Broomhall compiles wheat and flour exports from the U S at 358,671,000 bu up to June 30th. This compares with about 300 million bu last year. When the official figures are issued they may differ somewhat, but this total is about 100 million bu larger than appeared probable even up to about middle of the season. All important countries have exported by steamer about 774 million since August 1st, or 100 million larger than the same period a year ago. Undoubtedly this gives the import countries currently a fair stock of wheat, and probably accounts for the lagging tendency in making new commitments for U S wheat. Our market has lacked this buying power, and also lifting of hedges against flour sales, which business has been quite slow. For that reason with new crop movement likely to expand from better weather, even though not much may currently be sold, accounts for the lagging urge to buy futures despite big discounts under the loan.

Primary receipts of wheat were 1,437,000 bu, nearly 1 million bu under a year ago. Wheat stocks in Kansas City and Minneapolis have decreased 47,000 bu so far this week, indicating not much change in the visible supply when it is posted Monday compared with 8 1/4 million increase last year when the crop movement was

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 9, 1951

Weather over the week-end was quite satisfactory to the extent that drier conditions were reported Southwest, and thus harvesting operations were possible on a heavier scale, while rainfall had been quite general over the Canadian Provinces and our Northwest since Friday morning. There was also considerable precipitation over Wisconsin, Illinois, Michigan, Indiana, and Ohio -- in fact, as much as 4 inches in one or two places. Without having detailed information we would say that many sections of the spring wheat belt had almost enough rainfall now to assure a good crop, barring adverse factors, while in the Southwest quite a little headway was made in harvesting operations. However, we were told that a fair amount of wheat is either going into storage or into the loan. This is particularly true where grain is dry enough to be safely put away.

Just how large the winter wheat crop will actually be is difficult to tell. Some of the bottom lands, particularly in Missouri have sustained losses, and the same is true in some of the Kansas areas, but on the whole we are still very fortunate that the final yield, including spring wheat, may be as great if not better than last season. Kansas City receipts of wheat were not too heavy, probably for the reason that the Santa Fe and some of the other carriers have been hampered in bringing grain to market due to floods, etc., but Wichita, Hutchinson, and some of the other secondary markets had a good run of wheat, and very likely the peak will be reached this week, or at least within the next fortnight.

The milo acreage in Kansas is somewhat smaller than had been hoped for, and it is getting a little late now for planting due to the possibility of early frosts in the Fall. In Texas, the wheat harvest is practically completed, and farther north operations are now in full swing, particularly around Wichita and as far west as the Colorado border. Lots of good dry wheat is now harvested, but seems to be going mostly to store.

According to the Department of Agriculture, the disappearance of wheat from the 1950 crop exceeded that of the previous year by about 50 million bu. There was more than 525 million bu of wheat milled for flour, while the quantity needed for feed, seed, and industrial uses was estimated at around 235 million bu, or a total of 760 million bu. They claimed that 325 million bu was exported in the form of grain. Based on this data the carryover on July 1st was apparently 50 million bu smaller than a year ago, although official estimates are not yet available.

There were rather optimistic reports from Canada on satisfactory progress of the crop, some sections, however, needing moisture, but this may have been corrected by rains which fell since the information was compiled. We rather feel that with no rollbacks likely for meat that the corn and feeding situation is fairly sound, although it should be remembered that prospects for the feed crops improved during May and June, and the 1951 production should be very satisfactory, but yet may fall below the requirements unless the remainder of the growing season is very favorable. Thus, we may cut into our corn reserves again for the second successive season.

Mexico has been authorized to purchase wheat for export during any month of the 1951-52 wheat agreement year notwithstanding the fact that the announced monthly export program extends only through October 1951. A special authorization was granted to the Mexican government in order to permit large quantities to be purchased in advance to facilitate their distribution and prices and should have no bearing on the total quantities taken.

The wheat visible increased 3 1/2 million bu to 150.5 million bu or 21 million bu less than we had on hand last season. Corn showed a small increase. Total stocks are nearly 39 million bu, a shade higher than a year ago. Oats increased 725,000 bu, probably due to further imports. Total stocks are nearly 14 1/2 million bu compared with 10.1 million last season. Chicago wheat stocks are 3.5 million, corn 9.9 million. Oats increased to nearly 7 million. Rye and beans showed only nominal changes.

After some easiness, there seemed to be a little better undertone to the wheat market, probably helped by strength in corn. Chicago merchants continue to sell cash corn from here at sizeable premiums over the futures delivery. At end of May, CCC inventory of corn was about 424 million bu, in addition to which they had about 95 million bu sealed from previous crops or in process of liquidation and about 48 million of 1950 loan corn totaling approximately 565 million bu, a reduction of 12 million from the month before. Some people in Washington feel that CCC might own about 550 million of the carryover this season.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements or data herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

Trade was not particularly heavy but flour business has improved to some

Weather over the week-end was quite satisfactory to the extent that during [illegible] operations were [illegible] a heavier scale, while rainfall had been quite general over the Corn Belt [illegible] and Northwest since Friday morning. Heat was also considerable [illegible] of two places. Without having detailed information we would say [illegible] tions of the spring wheat belt had almost enough rain. I now to wait [illegible] crop during advance factors, while in the Southwest only a little benefit [illegible] harvesting operations. However, we were told that a fair amount of [illegible] going into storage or into the loan. This is particularly true where grain is [illegible] enough to be safely put away.

Just how large the winter wheat crop will actually be is difficult [illegible] the bottom lands, particularly in Missouri now [illegible] the final yield, including acreage, but on the whole, we are still [illegible] Russia, the winter [illegible] tions are now in full swing, particularly around Nebraska and [illegible] ly to store.

According to the Department of Agriculture, the disappointingly [illegible] 1,100 crop exceeded that of the previous year by about 50 million bu. [illegible] re than 325 million bu of wheat milled for flour, while the quantity [illegible] d, and industrial uses was estimated at around 435 million bu. [illegible] 100 million bu. There remained about 325 million bu was exported in the [illegible]

[illegible] ter than a year ago, although official estimates are not yet available.

There were rather optimistic reports from Canada in early [illegible] the crop, some contend, however, moisture. [illegible] have been [illegible] ted by rains which only since the information was compiled. We [illegible] no reason to believe that the corn and feeding situation is [illegible] though it should be remembered that prospects for [illegible] crops improved during [illegible]

[illegible] season is very favorable. [illegible] Mexico has [illegible] the 1951-52 wheat [illegible] nothing and [illegible] that the [illegible] ty export program [illegible] in the [illegible] based in advance [illegible] in distribution and prices and should have no [illegible] ing on the total [illegible]

The wheat [illegible] 3 1/2 million bu to 150.5 million or 21 million [illegible] se than we had [illegible] it season. Corn showed a small increase. [illegible] se are nearly 2 million [illegible] a shade higher than a year ago. [illegible] probably due to [illegible] imports. Total stocks are nearly 14 million [illegible] with 10.1 million at some [illegible] Chicago wheat stocks are 3.5 million [illegible] million. Oats increased to nearly 7 million. Rye and beans showed [illegible] decrease.

Some exporters, there seemed to be a little better buying to the [illegible] ship delivery in corn. Chicago processors continue to [illegible] have at sizable [illegible] over the interest delivery. [illegible] inventory of corn was about 124 million bu, in addition to which there [illegible] be added from previous crops [illegible] in excess of [illegible] one corn futures approximately 505 million bu, a reduction [illegible] million bu. [illegible]

UNITED GRAIN CO.

[illegible] secondary markets had a good run of wheat, and very likely the peak will be run, and [illegible] week, or at least within the next fortnight.

The milo acreage in Kansas is somewhat smaller than had be [illegible]

In Texas, the wheat harvest is practically completed, and [illegible] tations are now in full swing, particularly around Abilene and [illegible] ly to store.

According to the Department of Agriculture, the disappointingly [illegible] 1,100 crop exceeded that of the previous year by about 50 million bu. [illegible] re than 325 million bu of wheat milled for flour, while the quantity [illegible] d, and industrial uses was estimated at around 435 million bu. [illegible] 100 million bu. There remained about 325 million bu was exported in the [illegible]

[illegible] ter than a year ago, although official estimates are not yet available.

There were rather optimistic reports from Canada in early [illegible] the crop, some contend, however, moisture [illegible] have been [illegible] ted by rains which only since the information was compiled. We [illegible] no reason to believe that the corn and feeding situation is [illegible] though it should be remembered that prospects for [illegible] crops improved during [illegible]

[illegible] season is very favorable. [illegible]

UNITED GRAIN CO.

Mexico has [illegible] the 1951-52 wheat [illegible] nothing and [illegible] that the [illegible] ty export program [illegible] in the [illegible] based in advance [illegible] in distribution and prices and should have no [illegible] ing on the total [illegible]

The wheat [illegible] 3 1/2 million bu to 150.5 million or 21 million [illegible] se than we had [illegible] it season. Corn showed a small increase. [illegible] se are nearly 2 million [illegible] a shade higher than a year ago. [illegible] probably due to [illegible] imports. Total stocks are nearly 14 million [illegible] with 10.1 million at some [illegible] Chicago wheat stocks are 3.5 million [illegible] million. Oats increased to nearly 7 million. Rye and beans showed [illegible] decrease.

Some exporters, there seemed to be a little better buying to the [illegible] ship delivery in corn. Chicago processors continue to [illegible] have at sizable [illegible] over the interest delivery. [illegible] inventory of corn was about 124 million bu, in addition to which there [illegible] be added from previous crops [illegible] in excess of [illegible] one corn futures approximately 505 million bu, a reduction [illegible] million bu. [illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 10, 1951

While farmers probably have suffered most during periods of depression, it seems to be a fact that during an inflationary period they, as a group, have fared well, and probably better than most other categories. Farm commodity prices in May 1951 were 206% above 1939, whereas non-agricultural prices were 125% above for that period. In 1935 cash farm income was exceeded by farm debt, but in 1951 farm income was 2.3 times the debt. It goes even further, as producers today have aggregate total assets of nearly $130 billion, as compared with only $53 billion in 1939. In spite of all these factors it does not look as though many rollbacks would be permitted, nor do we see much change in sight with respect to the parity computation and high support levels.

Our markets this morning were influenced by considerable improvement in the milling demand overnight, hedges were taken out of the pit, but another influence was the weather, the map indicating an unsettled condition, with the five day forecast rather pessimistic for many sections of the Southwest, with anywhere from 3/4 inch to 2 inches of rain expected during the next few days. They have recently had a better period for harvesting of grain, and according to the Southwestern Miller combining was active over a large part of Kansas yesterday, particularly in the southern half of the state. New wheat reached country stations in the heaviest volume up to this time. However, there is a distinct holding tendency on part of producers, with not much wheat being sold. It looks to us as though a very heavy proportion of wheat would finally seek its way into the loan. This is about the only factor really that is bullish, because statistically we have ample supplies if the spring wheat crop comes through according to present promise.

The government showed May exports of 55 3/4 million bu wheat and flour, which brings the total to 329 million bu since July 1, 1950. With one more month to account for it looks as though we would have had a very successful season as far as shipments are concerned. What the coming year holds for us cannot be definitely stated as much will depend now on the outcome of the Canadian crop. Up to now prospects have been very bright; there were some low temperatures reported overnight, with a thermometer reading of 34 degrees at Calgary, and similar reports from a few other stations. However, the moisture has been very satisfactory to-date, but the trade is still reminded of last year's early frost which took such a heavy toll, at least in quality.

The Department of Agriculture recently announced some revisions in the August export program from this country. Additional quantities are permitted for shipment to Brazil and Peru, but the total is not increased as there has been a reduction for Japan based on revised information relative to that government's procurement plan for the month of August. We expect that European requirements for the first six months of our crop season will be moderate at best owing to the fact that native crops are now being harvested, but what the last six months will total cannot be definitely stated at this time, as there are still so many international uncertainties to cope with.

Primary receipts of wheat were 2.8 million bu compared with 1.9 million bu last week and 2.3 million bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 45,000 bu.

Markets were all very strong and the Chicago elevators apparently are buying very little new crop wheat yet to come to this market, in fact, since the start of the season the volume has been very limited. Likewise Chicago local mills have very little new crop wheat bought and all this is having a strengthening influence on the July future with a resultant narrowing of the carrying charge spreads in the more distant months also. This, plus the fact that Southwest impoundings are bound to be large, is creating a better undertone to the market.

Corn was very strong and likewise oats were higher. The oat crop is quite late and even around Springfield, Illinois they feelthat some of the early oats may not be ready for another two weeks yet.

After the close, we shall have a government report. It will be interesting to see whether spring wheat measures up to Mr. Galvin's expectation. Some of the crop reports from the Northwest this morning spoke of some dry areas in northern North Dakota and we are not sure whether the recent rains have relieved those areas up to the present time. There is still not much export business but, as stated earlier, hedges were taken out of the pit against flour business which was of fairly good character. There was no change in the amount of red wheat here in Chicago but contract stocks declined slightly, which is quite unusual for this time of the year.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expression of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4

July 11, 1951

After the close of the market yesterday a government crop report was issued, and the Department of Agriculture characterized it as among the most favorable that the country has known. Of the major crops, only rice and hay are expected to set new production records, but several others will approach previous high points. Therefore, the overall agricultural production may exceed that of any year on record except 1948. More specifically, they indicate a spring wheat crop of 363 million bu, which, together with the prospective winter wheat crop of 706.7 million bu, would give us a total of 1,070 million bu. This compares with 1,026 million produced last season, and is practically as high as the ten-year average during the years 1940-49 of 1,071 million bu. When we compare these yields with prewar production of 740 million bu, it is quite apparent that great strides have been made with mechanization, better fertilizer, and more intensive cultivation.

The four soft winter wheat states, comprising Ohio, Indiana, Illinois, and Michigan, are scheduled for a crop of 136.2 million bu, which is a little more than last year. However, the four large winter wheat states, including Kansas, Oklahoma, Texas and Nebraska, will probably raise only 277.3 million bu compared with 328.5 million last season --a cut of 51 million bu.

There were some other interesting figures given yesterday, and attention was called to the farm stocks of corn which were 815 million bu on July 1st, or a reduction of 245 million from the season before. The visible supply is about the same now as we had a year ago. There are no late figures, but in April CCC bins carried about 100 million bu more corn than in 1950, while interior mills and warehouses at the same date had 30 million bu more. Combining all these figures, the net shows a reduction of 115 million bu. Should the same ratio be continued between now and the end of the crop season, our corn carryover would be reduced from 860 million bu last year to 745 million bu next October. Of that quantity perhaps 550 million bu will be under government domination.

As an offset to the bearish government report, there were torrential rains reported over parts of Kansas with about 5 inches falling around Salina, Kans., but the amounts gradually diminished farther northward, although precipitation also extended to portions of the spring wheat areas, which, of course, is favorable, particularly if the dry sections of northern North Dakota are benefited.

As a result first prices were higher, and there was likewise some buying of Minneapolis futures by a large mill, which may have helped in shaping a little friendly sentiment here.

The corn crop was estimated at 3,295 million bu, which was somewhat more than had been privately forecast. Only on two other occasions did the crop turn out better. Also a larger than average harvest of oats is expected, with 1,368 million bu in sight. The Department explains that feed grains are the heaviest contributors to the large crop volume, which of course includes the hay supply, which is expected to be the largest of record.

The 52 principal crops were planted or growing on nearly 371,500,000 acres in 1951. This is nearly 14 million acres more than in 1950 and more than any other year since 1933.

Primary receipts of wheat were a little over 2 million bu, there was a holiday last week, and a year ago receipts were 2,675,000 bu. Kansas City and Minneapolis stocks so far this week show a net decrease of 55,000 bu.

Trade was quite active, particularly after mid-session, and a good deal of attention was paid to the heavy rains reported Southwest, which have become a very serious affair. It is difficult to tell how much damage is going to be sustained. Some of the heads apparently are either broken or washed away, and at best it will make harvesting operations more difficult, so that losses are likely, as compared with the government figures just given, but nobody can tell in what amount. In addition to this factor, there must have been a good milling demand. There was buying of wheat futures not only at Minneapolis, as we mentioned above, but also here at Chicago and at Kansas City. Undoubtedly the more spirited flour buying was prompted by the heavy rains.

The U S D A has estimated that our wheat carryover will be about 375 million bu of wheat as of July 1st; this is only an estimate, and we shall have to wait until July 25th for a more definite commitment. They figure that home consumption was 731 million bu, and that exports will amount to about 365 million bu, or a total disappearance of 1,096 million bu. As for next season's shipments abroad, that may it will depend on the outcome in both exporting and importing countries.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

Northwest houses bought December corn and sold oats in good volume. Offerings from the country was a little heavier.

[illegible]

[illegible] in practically one hub as the ten-year average during the [illegible] million bu. When we compare these yields with those [illegible] it is quite apparent that great strides have been made with mechanization, better tillage, and more intensive cultivation.

The four soft winter wheat states, comprising Ohio, Indiana, Illinois, and Iowa, are scheduled for a crop of 136.2 million bu, which is a little more than last year. However, the four hard winter wheat states, including Kansas, Oklahoma, Texas and Nebraska, will probably raise only 277.3 million bu compared with [illegible]

There were some odds and ends [illegible] was called to the farm stocks of corn which were 813 [illegible] million bu on July 1st, or a reduction of 245 million from the season begin[illegible]

[illegible] same now as we had a year ago. There are no late figures, but in April [illegible] were carried about 100 million bu more corn than in 1950, while interior [illegible] warehouses at the same date had 30 million bu more. Combining all these figures, the net shows a reduction of 115 million bu. Should the same ratio of [illegible] be reduced from 860 million bu last year to 745 million bu next October, the [illegible] quantity perhaps 550 million bu will be under cover.

As an offset to the bearish government report, there were [illegible] rains reported over parts of Kansas with about 5 inches falling around Salina, [illegible] but the amount [illegible] extended to portions of the spring wheat areas, which, of course, is favorable, particularly if the dry sections of northern North Dakota are benefited.

As a result, futures prices were higher, and there was likewise some buying of Minneapolis futures by a large mill, which may have helped in [illegible]

The corn crop was estimated at 3,235 million bu, which was so much more than had been privately forecast. Only on two other occasions did the crop turn out better. Also a larger than average harvest of oats is expected, with 1,398 million bu in sight. The Department explains that food grains are the heaviest which is expected to be the largest of record.

The 32 principal cotton [illegible] 371,500,000 [illegible]

Primary receipts of wheat were a little over 2 million bu, there was a [illegible] Minneapolis stocks so far this week show a net increase of 55,000 bu.

Trade was quite active, particularly after mid-session, and [illegible] [illegible] serious affair. It is difficult to tell how much damage is going to be [illegible] of the heads apparently are either broken or twisted away, and at [illegible] harvesting operations more difficult, so that losses are likely, so [illegible] overvaluation figures just given, but nobody can tell in what amount. [illegible] this factor, there must have been a good selling movement. [illegible] wheat futures not only at Minneapolis, as we mentioned above, but also [illegible] at Kansas City. Undoubtedly the more spirited decline [illegible] was [illegible] by the heavy rains.

The U.S.D.A. has estimated [illegible] bu of wheat as of July 1 [illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.
CHICAGO, 4

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

July 12, 1951

It is very difficult to appraise the possible effect of rains on crops in the Southwest as never before in history have we had floods of this kind during the harvesting period. We have examined weather records officially given by the government for the years1887 to 1945 and we find that taking the State of Kansas as a whole, average rainfall amounts to not quite 27 inches per year. It varies according to districts and, as we have pointed out so often west of the 100th Meridian rainfall is quite light only amounting to about 19 inches per year while the central sections average 26.45 inches and the east 35.27 inches. Thus, the big crops are only raised when the western sections have more than the average amount of precipitation. Otherwise that area is often characterized as the dust-bowl section, and, being semi-arid, often produces rather poorly. During the past two days, about ten inches of rain fell at Salina, Kansas which is more than one-third of the annual average amount that occurs in a year and more than half as much as this is received in western sections of that state over a twelve-month period. Even now there is not the settled condition developing which one would expect after such heavy downpours although the amounts will probably diminish and yet it will undoubtedly take time before rivers recede and the waters in the fields can be absorbed to a point where harvesting operations will again be resumed. In addition to the damage that will undoubtedly be sustained by crops, we must also take into account other factors which will prevent normal marketing of grain even where harvesting operations have already been completed. Out traffic man has told us that the Santa Fe, Rock Island and Union Pacific tracks west of Kansas City were all washed out and that there were five California trains being held up at Kansas City because of this condition. Naturally, it will be almost impossible to expect any increase in receipts at Kansas City so that meanwhile there is bound to be an extremely good demand for the small amounts of cash wheat that are arriving in that market regardless of whether it is dry wheat or moisture wheat With wrecking crews at work, the latter may soon be overcome to some extent but the alarming reports of crop deterioration are bound to continue for sometime yet and this has been responsible for further apprehension on part of flour buyers who have resumed operations and we saw evidence of hedges being covered in the various markets which gave us a rather firm opening again this morning.

We are making no attempt to forecast the revision that may become necessary to yields in the Southwest as no precedent exists for what is happening at the present time. It is fortunate, of course, that about one-half of the assumed carryover of 375 million bu on hand July 1st was in commercial channels. Also, we must assume that possibly 30% to 40% of the crop was harvested in Kansas before the bad weather set in so that no danger has arisen with respect to food supplies, particularly as we are now harvesting wheat in some of the drier areas where the rainfall has not been so excessive. During the first week of the new crop year, Broomhall estimates that 5.6 million bu was exported compared with 3.3 million bu a year ago. This would indicate that while the foreign demand is not particularly active that we may furnish rather liberal quantities, at least until Canadian supplies are available. Since the beginning of the world crop season, August 1st, the five principal exporting countries had put 791 million bu of wheat and flour afloat compared with 683 million bu a year ago.

Primary receipts of wheat amounted to nearly 2 1/2 million bu, which was slightly more than last week, and compared with approximately 3 million bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 143,000 bu. There were only 97 cars of wheat in Kansas City today, reflecting late harvest and difficulty of carriers in getting grain to market. In fact that was the main topic of conversation during the past few sessions, but after some early covering of hedges against flour sales, business generally became quiet.

There was never much weakness in the market, although corn reacted, and offerings from the country, while not big and not as large as yesterday, were a little better than recently. Some people believe that the purchases to come to Chicago may be in excess of requirements to fill sales that firms have on the books. Therefore, there may be some deliveries yet on July contract unless shipping business improves.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.
CHICAGO 4

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

July 13, 1951

Most attention is still centered around the flood areas in Kansas and Missouri. While the overnight weather was a little better there was still a heavy rain reported at Coffeyville, Kansas, which is located in the southeastern part of the state, and a more or less unsettled condition still prevails, but our weather man is a little more optimistic that after tomorrow we may have relief. It is difficult for anyone not in those areas to fully appreciate what is taking place, but we are getting telephone conversations from wide areas telling of the deplorable situation which has developed. This is quite understandable if anyone takes time to study the rain reports from various cities in Kansas. For example, Garden City, which is in a district predominantly dry, has had 24 days of rain since the first of June, and only 17 days with no moisture. Hutchinson, Kansas, since the first of June has had nearly 11 inches of rain, which is more than double the normal; they have had 18 days of precipitation, which is certainly an unusual affair. Topeka, where the condition is about as bad as anywhere, it has rained 27 days out of 41. The total amount for that city was 15.37 inches, while the surrounding towns reported even a worse condition. At Kansas City, as near as we can tell, five or six mills and elevators are under water by as much as 6 feet, with the situation extremely serious.

It is difficult to get accurate information because of the fact that telephone wires are out and contact in some cases has been lost, and it seems impossible to get out to the warehouses for an examination. Thus, we are dealing with factors never before remembered by any living person, and just how much actual damage finally will be sustained is quite a guess. There are parts of Missouri which were even harder hit than those in Kansas we have mentioned. For example, St. Joseph, Missouri had nearly 18 inches of rain against a normal of 3 1/2 since the first of June, and there is practically no wheat harvested in that territory at the present time. They have had rain 23 days during that period.

Strangely enough the market did not pay too much attention to this sensational news. Right after the opening there were some recessions, with a little scattered selling of December wheat, and apparently not much mill buying such as took place a few days ago.

As an offset to some of the bad reports we had the Canadian Telegraphic resume, which confirmed bright prospects for crop in that country, except for the dry area in southern Manitoba. Crops are backward in Alberta and Saskatchewan, with warmer weather needed. This afternoon there will be an official report of condition, but no intimation of acreages will be given at this time, and for that we shall have to wait until July 26th.

Broomhall reports clear weather in Europe, with new grain ripening, although the acreage is low. It still looks to us as though the yields would be somewhat disappointing compared with a year ago.

While the five day forecast suggested some precipitation for the Southwest, which would be mostly in the form of scattered thundershowers Friday and Saturday, but for the corn belt precipitation will be light, and temperatures are expected to average above normal.

Primary receipts of wheat today totaled 1,957,000 bu vs 1,437,000 bu last week, and 3,231,000 bu on comparable day of last year. So far this week Kansas City and Minneapolis stocks of wheat show an increase of 33,000 bu. When the visible is posted on Monday it will compare with an increase last year of 5,268,000 .

According to The Southwestern Miller flour business has fallen off sharply, with most of the mills selling little or nothing, and a few bookings are beyond current replacements. The trade seems to show no willingness to adjust price ideas to a higher level, and bakers are still limiting bookings to July shipment. Very little flour is being sold for export, and sales of family brands, which had shown some activity, have also dwindled. Otherwise, there was no particular news, and lower prices were registered in all cereals.

During the session Winnipeg July rye sold off the full 10¢ permissible limit for the day. Reports from Kansas City show a worsening of the flood situation at that point, one mill having water up to the second floor, and people being evacuated in the west bottom territory, which includes the Livestock Exchange Building.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.
CHICAGO, 4

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

July 16, 1951

After the close of the market on Friday, the Canadian Government Report, was issued from Ottawa, and, according to the Dominion Bureau of Statistics, the condition of the spring wheat was 109% of normal compared to 83% of last year. They were also very optimistic in the figures given for the condition of oats, barley, rye and flaxseed, all of them showing considerably better than a year ago. It was almost a foregone conclusion that the Canadian prospects would show up well for the reason that our spring wheat territory has been so very good and weather is not affected by the international border, in fact, the rains were very satisfactory in Canada. Since June and July are often critical months, Canada should be able to figure on a much better crop than last year, particularly as to the quantity of milling wheat, which, at that time, was adversely affected by an August frost.

Secretary Brannan announced an increase in the acreage goals for next year, and while it was not stepped up materially it does show a desire to build up reserves at home as long as the international situation remains more or less tense. Actually in Korea, there seems to be a little more hope expressed at this time that the conference will proceed toward a "cease-fire" solution and some of the earlier difficulties have apparently been ironed out. The trade, of course, was still mindful of the tragic results from the Kansas and Missouri floods and business at Kansas City has come almost to a halt, owing to the fact that freight shipments both in and out of that market have been so curtailed. The flood waters have apparently reached their peak and while it is going to take several weeks to get back to anything like a normal situation, we understand that the Missouri River has gone down about four feet and that the water in the Kaw River basin is also receding. There are continual explosions from oil tanks and the fire still rages in one sector of the city, but apparently is not spreading any more. It is, of course, difficult to say what damage has been sustained by any of the elevators that are under water nor can we be sure of how much farm land has been affected by this devastating incident.

When our market opened this morning, prices were somewhat lower and a good many people are still figuring that while we had tremendous exports from this country since the first of January that there may be some change after the Canadian harvest, particularly if a crop of 425 to 450 million bu is gathered as a good percentage would be available for foreign markets. On the other hand, European crops are smaller than they were a year ago and likewise with prices in many sections of our country under the loan level we may have very heavy impoundings; thus it is quite likely that artificial markets will be had, particularly if the quality of wheat is good enough to qualify for the government loan. With this in mind, we are not looking for any sharp decline despite the rather bearish statistical picture. There seems to be a fair amount of wheat booked for Chicago and since the close Friday the country offered more liberally. Prices quoted were from 5 to 5 1/2¢ under July but we heard that a considerable amount was apparently booked for non-members at 4 1/2¢ discount.

Chicago wheat stocks decreased 122,000 bu and total 3.4 million, corn decreased nearly 600,000 bu leaving 9.3 million in this market. Oats decreased 356,000 bu to 6.5 million. There was an increase in rye stocks of 150,000 bu bringing the total fo 1 1/4 million bu while in beans a decrease of 161,000 bu reduced the local stock to a little over 1 1/2 million bu.

Flour business was extremely light but, of course, mills are not pushing business and flour production has been badly disrupted owing to the situation in Kansas and Missouri where rail facilities are tied up and where flood waters have made it difficult to operate. Markets were rather dull. Generally speaking there was weakness particularly as more wheat may be headed for Chicago and while little is heard about St. Louis flood conditions they are also very serious and may become worse when some of the waters from the west reach that district. Both the Missouri and Mississippi Rivers are very high and thus it is difficult to move much grain so that we may have a period of quiet for the next week or two.

Soybeans were weaker and acreage reduction for the country as a whole is only about 2% as compared with last year but probably of more importance is the fact that cotton acreage is 58% larger indicating an increase in cottonseed. At the same time flaxseed acreage is only about 5% below last year and some people believe a further downward pressure on oil seed prices may be expected if this crop progresses favorably.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 17, 1951

Even at this advanced date conditions in Europe are so varied that it is quite impossible to make a dependable forecast of the probable harvest results. However, on basis of available reports there is a very favorable outlook for some areas, especially the Balkans, the Iberian Peninsula and western Germany, which is offset to some extent by less favorable conditions in much of western Europe. Excessive rains early curtailed seeding of winter grains in some of the principal producing countries, and these arrears could not be made up by increased spring acreages, as there was additional moisture later on, and field work became difficult. General comment, however, is that crops generally wintered well, with only nominal amounts of abandonment. Crops are still backward in many areas, and while a good harvest is expected, the crop looks to be somewhat smaller than last year.

In our country, there have been very favorable rains again in the spring wheat areas on both sides of the border. This, of course, suggests that while the present outlook for Canada is for a crop of 450 million bu or thereabouts, it might finally turn out even better, while the spring wheat crop in the U.S. may be a record one, or close to it if present prospects are maintained. All this, of course, outbalances some losses which are expected in the Southwest as a result of devastation and floods. We were surprised late yesterday when a comment was made by certain officials in the Department of Agriculture that the losses would not be material. They called attention to the fact that the Department's July estimate of 1,070 million bu of wheat for this year had already taken moisture conditions in the mid-West into account, even though flood conditions had not developed when the report was made. They stated that no great reduction in the estimate was to be expected. The department's officials did express some concern over the 45 to 50 million bu of wheat stored in Kansas City, Mo. and Kansas City, Kansas, fearing that if water seeped into the elevator or storage bins that deterioration would take place, and that finally the wheat would have to be sold for livestock feed. The majority of modern warehouse tanks are 100 feet or so in height, and assuming that the affected elevators had 15 feet of water either in the basement or at the side of the structures, we could hardly imagine that the damage would be very great. This, however, can only be determined after the debris has been cleaned up and when the machinery is again operating and grain can be run. It may be several weeks yet before such a determination will occur.

The flood waters in Kansas City are gradually receding, but the five-day weather outlook for the Southwest is not too pleasant, as unsettled conditions have returned. Some precipitation was reported overnight in western Kansas, while other sections may have local thundershowers, but probably not of the same character as those of last week.

In spite of this condition, we hear that a fair amount of wheat was harvested in Kansas during the past few days, probably in areas where the high waters did not prevail. What disposition is being made of this wheat is difficult to tell, and with the tie-up of rail transportation it is difficult to expect anything like a normal movement of grain following the harvest.

One large house identified with the export trade bought a big amount of wheat futures this morning, which furnished a better undertone. While we did not hear of any such quantity of business for export, it is likely that Austria may soon be in the market, and possibly these hedges were removed in anticipation of business.

The five day weather forecast for the Northwest suggests rather normal temperatures and intermittent rains, which, of course, is highly satisfactory. According to the Peavey Elevator report, the small grain crop in that district made generally good to excellent progress in the southern half of North Dakota, the southern half of Minnesota, and eastern South Dakota. In some of the northern areas the crop prospects are poor to good, depending on local showers.

Statistics did not count for much; the primary movement was only half as large as last year, and this is probably attributable to the floods. Contract wheat stocks in Chicago were unchanged from last week. There was a little better milling demand but the trade is still hesitating, and after the recent buying spurt new business seems to be only spasmodic. Some of the mills in the Northeastern industrial district of Kansas City have begun to operate again.

Corn was strong; in Iowa only about half the crop has been laid-by, while generally at this date the process has been completed. Some fields are so wet that cultivation is very difficult. With some profit-taking best prices for grains did not hold. July beans were weak while the advance in wheat failed to hold.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements or fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

July 1[illegible]

Even at this advanced [illegible] stage [illegible] is [illegible] to make a [illegible] of the probable [illegible] However, on basis of available reports there is a very [illegible] areas, especially the Balkans, the [illegible] affected to some extent by less favorable conditions in [illegible] [illegible] rains early curtailed seeding of winter grains in some [illegible] countries, and [illegible] [illegible] there was additional moisture later on and field work [illegible] [illegible] comment, however, is that crops [illegible] amounts of abandonment. Crops are still [illegible] harvest is expected, the crop looks [illegible] another [illegible]

In our country, there have been [illegible] favorable rains [illegible] wheat areas on both sides of the border. [illegible] present outlook for Canada is for a crop of [illegible] million [illegible] finally turn out even better, while the spring wheat [illegible] or, or close to it present prospects [illegible] some losses which are expected [illegible] floods. [illegible] surprised [illegible] officials in the Department of Agriculture [illegible] They called attention to the fact that [illegible] of wheat for this year had [illegible]

They stated that no great reduction [illegible] ment's officials did express some concern [illegible] to [illegible] million [illegible] ated in Kansas City, Mo. and Kansas City, Kansas, [illegible] elevator or storage [illegible] the wheat would have [illegible] Western [illegible] tanks are [illegible] feet of water [illegible] in the [illegible] imagine that the damage would [illegible] very great. [illegible]

[illegible] in cut [illegible] It may [illegible] yet [illegible] [illegible] occur.

[illegible] in Kansas City [illegible] weather outlook for the Southwest is not too pleasant [illegible] storms [illegible] precipitation was [illegible] in western [illegible] have been [illegible] of the [illegible] week.

In spite of this condition, we [illegible] that this [illegible] in this during the next few days, probably in areas where [illegible] [illegible] What [illegible] is being made on the wheat. [illegible] the [illegible] of grain [illegible] it is difficult to [illegible]

One large house [illegible] the report [illegible] wheat futures this morning [illegible] of any such quantity of business. [illegible] it is likely to [illegible] in the market, and possibly [illegible] were [illegible]

[illegible] and later [illegible] which, of course, [illegible] [illegible] very little for report, the [illegible] grain [illegible] [illegible] excellent prospects in the [illegible] of [illegible] prices [illegible] [illegible] from poor to good, depending on [illegible]

[illegible] did not count for [illegible] the [illegible] year, and this is [illegible] in Chicago were unchanged [illegible] but the trade is still [illegible] [illegible] Some of [illegible] have begun to [illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 18, 1951

With good weather in our spring wheat territory, also in Canada, one may still be reasonably optimistic with respect to the 1951 harvest. The trade still believes that a total yield of 1,070 million bu is possible for our country, despite some flood damage and devastation in the Southwest. This would be an increase of about 50 million bu over 1950, and together with a prospective carryover of 375 million bu, it would probably give us ample supplies, including quantities needed for export. There is a little better business developing in foreign markets, with Austria, Portugal and Mexico interested in our wheat. We have felt right along that there would be a good opportunity of effecting such sales, at least until the Canadian crop was gathered. Feed grains should also be sufficient, despite the large number of animals on hand, particularly with hay production indicating a bumper crop. This is also very important to the livestock producing areas. If we finally have a total of 113 million tons it would be 6% more than in 1950.

Farmers were recently given an extension of price support loans on their 1949 corn crop in areas where PMA committees have determined that the grain can be safely stored for another year. This represents a reversal of an earlier decision. The extended loans will mature July 31, 1952. As a matter of fact, the corn loans have not been used as extensively by farmers as those in wheat, and only on a few occasions were impoundings heavy. It likewise has been a fact that very often corn sold further under the loan than might have been the case in wheat, but yet there seems to be a rather friendly sentiment to the yellow cereal on the theory that with the December future selling at $1.63 per bu, there is some attraction because of the artificial factors which we may have later on. Generally during the month of July lots of hot weather overtakes the crop, and we very often have rising prices during this period, and it is not until about the 10th of August when it is considered safe to make short sales. This season has been very peculiar in many respects, and there must be any number of districts where the corn plant is backward. All this is not much of a factor at the present time, but could be more important later if we should have an early frost.

Broomhall's Foreign Crop Summary calls attention to mostly favorable weather for maturing of European crops, although rains recently have caused some interruption of harvest. In any case, there have been no appreciable changes in production; outturns of wheat and other grains are below average. Estimates in France are well below last year, although with favorable weather there is some chance for improvement, particularly now that weather has started to clear. In western Germany the wheat crop is reported to be in excellent condition, but rye is turning out poorer than had been expected. The over-all German production of grains is not much changed from the season before.

While some heavy rains were reported in Nebraska, the precipitation in Kansas was not too severe, and new wheat movement is expanding in the latter state. Peculiarly enough, they claim for some areas that the grain is distinctly dry as a result of hot weather. The 30-day weather outlook points to drier conditions for the flood areas, but abundant showers, and probably more than the normal, are expected in the northern third of the nation.

Primary receipts of wheat were nearly 1 1/2 million bu compared with slightly over 2 million bu last week and 2.7 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 427,000 bu.

Markets were firm early in sympathy with higher corn prices but wheat did not hold very well and it is probably too early to expect sustained strength. When the declines occurred, the deferred months showed the greatest losses and carrying charges seemed to be narrowing with not much wheat stock being built up here in Chicago. Milling demand is still very quiet, and, as The Southwestern Miller points out, most of the trade is already well covered for early shipment. Export flour is also inactive. Some of the elevator concerns were buying July corn and selling September and there seemed to be very little pressure on this market.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

CHICAGO, July 18, 1942.

With good weather in our spring wheat territory, also in Canada, one may well be reasonably optimistic with respect to the 1942 crop. The trade still believes that a total yield of 1070 million bushels is possible for our country, despite some flood damage [illegible] about 50 million bu over 1941, and together with a prospective carryover of 175 million bu, it would probably be ample for all supplies, leaving little unsatisfied demand for export. There is a little hoping business developing in Argentina, Uruguay, Northern Italy and Mexico [illegible] would be a good opportunity of offering such sales, at least until the [illegible] was gathered. Prices should also be [illegible] officials on hand, particularly with [illegible] 143 million tons it would be 63% more than in 1940.

Farmers will probably plan on extension of payment loans on their 1942 corn crop in [illegible] committees have determined the crop can be safely stored for another year. This represents a reversal of an earlier decision. The extended loans will mature July 31, 1943. As a matter of fact, the corn loans have not been used as extensively by farmers as those in wheat, resulting in a few occasions were [illegible] Nevertheless has been a fact that they often [illegible] under the loan from [illegible] seems to be a [illegible] with the Department [illegible] cause of the artificial factor [illegible] month of July lots of [illegible]

[illegible] inclined [illegible] to make [illegible] points, and it [illegible] [illegible] This is not much [illegible] [illegible] we should have on [illegible]

interruption of harvest. In any event, there have been no [illegible] [illegible] of wheat and other grains are below [illegible] [illegible] are well below [illegible], although with favorable weather [illegible] for improvement, particularly now that weather has [illegible] [illegible] the wheat crop is reported to be in excellent condition, but [illegible] [illegible] than has been [illegible] The overall [illegible] production [illegible] is not much changed from the [illegible]

[illegible] some heavy rains were reported in [illegible] precipitation in Kansas was not too [illegible] and now wheat harvest is [illegible] [illegible] Fortunately enough, they [illegible] as a result of hot weather. The 10-day weather outlook points to [illegible] for the Hard Winter, but [illegible] showers, and probably [illegible] reported in the [illegible] in the [illegible]

[illegible] receipts at [illegible] were nearly 1 1/2 million bu compared with slightly over 2 million in last week and 4.7 million in [illegible] Minneapolis stocks [illegible] week slow a net increase of [illegible]

Aunckia [illegible] firm [illegible] in sympathy with [illegible] but [illegible] very well and it is probably too early to expect such [illegible] [illegible] the [illegible] [illegible] as seemed to be [illegible] with not much [illegible] [illegible] [illegible] is still very quiet, and, as the [illegible] [illegible] of the trade is already well covered for early [illegible] [illegible] is active. Some of the other commodities were [illegible] [illegible] and there seemed to be very little [illegible] in this market.

[illegible] & CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 19, 1951

The overnight weather was entirely satisfactory, and even in Iowa, where there has been so much moisture, we had better reports this morning, so that possibly some of the corn which needed cultivation can now be handled, while in the Southwest they had clear skies. Although some of the flood waters are moving eastward, there is no certainty that the damage in Missouri from Jefferson City to St. Louis will be of the same proportions as that which was experienced in the Topeka-Kansas City area. Floods are just as uncommon as droughts, but they will occur from time to time, although very few people were prepared for the excessive and torrential rains which fell over a territory that was semi-arid, and which had been characterized for years as the "dust bowl." What the final damage will amount to in bushels is a little difficult to tell at this time. There have been a number of conjectures, but the Department of Agriculture has minimized the prospective decrease, at least in the growing areas, but there may be other losses on wheat and grain which was stored in elevators, or that had been in transit during the period of high waters.

In today's trade the wheat futures, which had been so weak yesterday showed recuperative power. There is no certainty yet that carrying charges are going to be obliterated, but in the final analysis much will depend on how big a wheat stock Chicago can build up. Another factor will be the amount of grain in various parts of the country which is impounded, because if the quantities are as large as we think possible, it might leave only smaller amounts in the hands of commercial users. There is no certainty that our export program will measure up to last year's program; in fact, if Canada comes through with a bumper crop, we have our grave doubts as to whether the demand from here will be maintained after November or December. Meanwhile, there is some business in the making, but not enough hedges have been taken out of the pit yet to be a real market factor.

There is some surprise expressed that Chicago has received so little grain from Illinois, particularly as we raised nearly 9 million bu more than last year, having a prospect of 36.2 million bu. Of course, some of the wheat in central and northern Illinois may not be harvested yet, and there is likewise a chance that Indiana, which was scheduled for a crop of 27.2 million bu, may send some of its grain here, so that one cannot give up altogether the possibility of accumulating wheat in this market.

We heard that Germany was inquiring for red wheat, and later on Portugal may take some of this quality grain, but the main demand undoubtedly will be for hard wheat which is the bread type most wanted, although business undoubtedly may be tied up for a while because of floods and difficulties of rail transportation.

The Chicago corn-hog ratio this week showed a decline to 11.5 which compared with 12.2 last week, and 13.4 last year. According to the Department of Agriculture the number of cattle on feed for market in the 11 corn belt states was 9% less on July 1st than the number a year earlier. In the eastern corn belt, the number was reduced by 17%, while the west corn belt showed a decrease of only 6%. However, most states showed fewer cattle on feed than last July. About 68% of the July inventory is expected to be marketed before October 1st.

The primary movement of wheat was 2,848,000 bu, practically the same as last week and compared with a little over 3 million last year. Kansas City and Minneapolis stocks so far this week show a net increase of 97,000 bu.

We are not getting the accumulations at the various terminal markets which so often occur during the last part of July. Much of this is due to the disruption of facilities caused by adverse weather. A good many of the elevators are slow in filling up but in the final analysis it should not make too much difference and we look for a stream of grain coming to market during August. There seems to be some long term buying of the deferred months but trade in March and May futures is still rather light while in the nearby deliveries there are some hedges being placed, but volume is not particularly heavy. This gives us a scalping market without much trend and in the meantime milling demand is moderate, but mostly for current requirements and we are told that the trade is still resisting the recent upturn in flour costs.

Tomorrow will be the last day for trading in July contracts and we expect rather erratic markets with a good deal of evening up still to come. There was quite a little nervousness in July corn today which at one time upset the market. Apparently shorts have covered quite extensively.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

[illegible]

[illegible]

CHICAGO, [illegible] July 1, 1931.

The overnight weather was [illegible] over it Iowa, [illegible]
[illegible] has been so much [illegible] and bad [illegible]
[illegible] of the corn which needed cultivation [illegible]
[illegible] and clear [illegible]
[illegible] is no certainty that the damage [illegible]
[illegible] be of the same proportions as that which [illegible] the Tuesday [illegible]
[illegible]
to those although very few people were [illegible]
[illegible] years as the "dust bowl." [illegible]
is a little difficult to tell at this time. [illegible]
[illegible]
in the growing areas, but there may be a [illegible]
[illegible]
[illegible] today's trade the [illegible]
[illegible]
[illegible] to be obliterated, but in the [illegible]
[illegible] Chicago can hold on, [illegible]
[illegible] the country which is [illegible]
[illegible] possible, it might [illegible]
[illegible] is no certainty that our [illegible] will not [illegible]
[illegible] in fact, if dense [illegible] through [illegible]
[illegible] weather the damaged corn [illegible]
[illegible], there is some business [illegible] not [illegible]
[illegible] out of the pit yet to be a real [illegible]

There [illegible] suppose [illegible] is a [illegible]
[illegible] from Illinois, particularly as we [illegible] 7 million bushels [illegible]
[illegible], having a prospect of 52.2 million [illegible] course, some of the [illegible]
[illegible] northern Illinois may not be harvested yet, and there [illegible]
[illegible], which was scheduled for a crop of 52.2 million [illegible] some [illegible]
[illegible], so that one cannot give up [illegible] the possibility of [illegible]
in this market.

[illegible] Board that C[illegible] was [illegible] yet and [illegible]
[illegible] the [illegible] of this [illegible], but [illegible]
[illegible] which is worth [illegible] [illegible]
[illegible] a while [illegible] of [illegible]

The Chicago [illegible] this week showed a decline to [illegible] with a
compared with [illegible] last week, and last year. According to the [illegible]

[illegible] last [illegible] in a year [illegible] in the [illegible]
[illegible] was reduced by 17%, with the week corn [illegible] only 6%
[illegible], but stocks showed lower cotton [illegible] last July. [illegible]
[illegible] is expected to be [illegible] before.

The primary movement of cotton was [illegible] but, practically [illegible]
[illegible] and [illegible] [illegible] under a million [illegible] bales. [illegible]
[illegible] stocks solid [illegible] [illegible] of [illegible]

[illegible] are not [illegible] the [illegible]
which so often [illegible] during the last part of July. [illegible]
[illegible] by [illegible] good [illegible] of the [illegible]
[illegible] in but in the [illegible] is [illegible]
[illegible] a [illegible] [illegible] to [illegible]
[illegible] of the [illegible] months [illegible] in [illegible]
[illegible] work in the nearby [illegible] [illegible]
[illegible] is not particularly heavy. [illegible]
[illegible] in the [illegible] [illegible] [illegible]
and we are told that the trade is still resistant, the [illegible]

Tomorrow will be the last day for trading in July [illegible]
[illegible] is with a good [illegible] of [illegible]
[illegible] in July [illegible] [illegible] upset the market.
[illegible] covered quite [illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 20, 1951

This is ordinarily the period of the year when wheat accumulations take place and when heavy receipts are reported in the various Southwest markets, gradually continuing northward as harvest in the central states is completed. However, the weather has been such an important factor that we find even though the flow of grain to terminal markets has improved a little, it is still very small for this time of the year, although country stations are taking in larger quantities. Under these circumstances, there is a fair demand for grain even though export business is not too active, and flour orders seem to be restricted after quite a spurt last week.

We continue to clear rather heavy quantities of wheat and flour for export, and according to Broomhall for the second week of the season they amounted to 6 1/4 million bu, making a total of 11.8 million bu compared with 9 million bu last year. As we have pointed out in these letters frequently, the first six months of last season were not too active probably for the reason that native supplies in Europe were abundant, and the demand came only at a later date, and particularly from this country after the quality of the Canadian crop had proven to be so disappointing. Chances are that we shall probably ship fairly heavy quantities for the first three months of the present crop year, but after that much will depend on Canada. If prospects are maintained up there we may have quite a different situation from last season. Crop conditions in Alberta continue excellent, Saskatchewan may be termed good, but yet needing generous rains, while the crop in Manitoba is in general only fair, with some areas rather poor. The latter province, of course, is not too important based on acreage, and the yields there are the smallest of any of the Prairies. The moisture condition taking the three Provinces as a whole still stands at 93% of normal, according to the Searle report. This was no change from last week, but it compares with 81% this time a year ago. In view of the fact that June and July are so important for that country we can still expect a very good outturn, and unless another early frost overtakes the crop, it should all be fairly good milling quality.

There were a few showers reported overnight in our Northwest, also in the middle Mississippi Valley, but the Southwest had a respite, skies were clear, and fair weather prevails. Thus, there is a chance now to dig out of what was a very unfortunate situation, and about the 10th of next month we shall have an appraisal by the government of what damage, if any, was sustained to crops. In their mid-month report they claimed that some allowance had been made for the bad weather and the devastating rains, although the report was compiled before the actual floods had occurred.

There is still a good deal of comment about the small amount of wheat arriving in Chicago, although a little more seems to be headed this way. Overnight bid was 4¢ under September, although in the spot market there were some sales at 3¢ under. Meanwhile, mills east of us are rather aggressive in making purchases in Ohio, probably for the reason that they also fear that large quantities may be impounded. The latter is the one thing, in our opinion, that is most bullish in looking ahead. Certainly any small crop losses at this time would not change the statistical picture sufficiently to give us a scarcity, but if we finally have twice as much wheat going into the loan as last season we can see how later on it might have a bearing on prices. This is probably the incentive for buying March and May wheat, and we find that some of the more prudent traders are doing that.

Primary receipts of wheat were a little better today amounting to 3.1 million bu; this compared with 1.9 million last week, and 3.1 million bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 32,000 bu. When the visible supply is posted on Monday it will compare with an increase of 6 1/4 million bu last season.

Trade was fairly active, and there was considerable evening up in the July deliveries where the open interest had still been big. Outside of July rye the nearby futures were inclined to weakness. This had some influence on the market, but pressure on the whole was not heavy. In flour business, we find the same cautious feeling amongst buyers, and until there is some improvement in that regard, markets may remain indifferent. July wheat ended at more than a full carrying charge under September.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

[illegible]

[illegible]

This is ordinarily the period of the year when accumulations take place and receipts are reported in the various Government markets, generally speaking northward as harvest in the central states is progressing. However, this year has been such an important factor that we find even though the flow of grain to the Canadian markets has improved a little, it is still very small for this time of the year, although country elevators are taking in larger quantities. Under these circumstances, the tone is [illegible] but to [illegible] active, and floor orders seem to be restricted [illegible] for [illegible] week.

We continue to place rather heavy quantities of wheat and flour export, and according to Bradstreet for the second week of the season they amounted to [illegible] million bu, making a total of 11.8 million as compared with 9 million bu last year. As we have pointed out in these letters frequently, the first six months of last season were not too active probably for the reason that most of our flour lies in Europe [illegible], and the demand came only at a later date, and particularly from [illegible] country after the quality of the Canadian crop had proven to be no disappointing. Consequently we shall probably still have heavy quantities for the first three months of the present crop year, but after that [illegible] on Canada. If crops are maintained up there we may have quite a different situation from last season. Crop conditions in Alberta continue excellent, [illegible] may be termed good, but yet needing generous rains, while the crop in Saskatchewan is in generally fair, with some areas rather poor. The latter provinces, of course, is nothing, for [illegible] based on average, and the yields there are too [illegible] of any of the [illegible] The monetary condition taking the three provinces as a whole still stands at 75% of normal according to the Sorel report. This was no doubt a trifle last week, but it compares with 41% this time a year ago. In view of the fact that 3 June and July are important for that country we can still expect a very good outturn, and unless another early frost overtakes the crop, it should be a fairly good million [illegible] crop.

There were a few showers reported overnight in the Northwest, also in the Middle Mississippi Valley, but the Southwest had a [illegible] clear, and fair weather prevails. There is no chance now to dig out of what was a [illegible] portunate situation, and about the 15th of next month we shall have a report [illegible] the [illegible] of what damage, if any, was sustained to crops. In their report [illegible] they stated that some allowance had been made for the old weather and the [illegible] although the report was too pilot [illegible]

There is still a good deal of comment about the [illegible] of wheat arriving in Chicago, although a little more seems to be handed [illegible]. Operations [illegible] under [illegible] cost of us are rather aggressive in making purchases [illegible] for the reason that they also fear that large quantities may be [illegible] The latter is the one thing, in our opinion, that is most [illegible] [illegible] any small crop losses at this time would not [illegible] [illegible] to give us a accurate, but if we [illegible] [illegible] the loss as last season we can see how [illegible]

[illegible] the usual prudent trading are doing that.

Primary receipts of wheat were a little [illegible] to [illegible] million [illegible] compared with 1.17 million last week, and 3.1 million bu last year. Shipments [illegible] 1.3 million bu. [illegible] week show [illegible] 12,000 bu. [illegible] visible supply increased on Monday it will go [illegible] of 5.1 million bu last week.

[illegible]

[illegible] were inclined to weakness. This [illegible]

[illegible] was not heavy. In fact speculation [illegible] and [illegible] [illegible] and until there is some [illegible] [illegible] July wheat could not more [illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 23, 1951.

While our market was closed on Saturday, Minneapolis, Kansas City, and Winnipeg functioned normally, and Southwest receipts picked up rather appreciably. In fact, the Kansas City carlot receipts were the heaviest since July 11th, which was the period before the floods had started. Apparently rapid progress had been made in the harvesting of grain over the state of Kansas and with 422 cars received there it was indicative that the country was anxious and had been able to overcome many of the weather hazards. It is still far from clear in many of those sections; in fact, Hutchinson had nearly 2 inches rain over the weekend, and 3 1/2 inches at Wichita, and while this will delay further operations for a time, we believe that good headway has been made so that there may be some pressure for the next week or two, and also some at Chicago with 715 cars here this morning, all of which is normal following harvesting of a winter wheat crop.

Our market naturally heeded these warnings, lower prices occurred right after the opening, and export business is still rather quiet, although we are making fair progress in getting wheat out of the country, and so far this season shipments have been about equal those of last year. Strangely enough, farmers in Nebraska seem to be selling more liberally than in the states farther south, although it is still our opinion that there are going to be very heavy impoundings. The wheat acreage goal for 1952 was announced recently at 78.8 million acres, which is a little above the current crop. The government is no longer worried about storage and surpluses, having dealt rather successfully with those measures in the past, and apparently the policy is to maintain a high level of production and ample carry-over stocks during the present period of international tension. There were also increased acreage goals announced for barley, rye, and oats. We are naturally quite a bit behind schedule due to floods and other devastation. For example, the Enid, Oklahoma, official figures show that for June and July of this year only 6,863 cars were received to-date, while for the same period last year they had 11,605 cars. Since the Oklahoma crop is not much smaller now than it was a year ago, we might reasonably expect a gradual evening-up on that score, and the same is true for Kansas even though the crop for that state will be quite a little below the 1950 yield.

A dispatch from Tokyo stated that the Chinese Communists, according to a Hong Kong newspaper, had said that the Communists might withdraw their demand for the removal of foreign troops in Korea as a part of an armistice. This may havecontributed in some small way to the bearish feeling which existed, but there were some offsets in the heavy rains that fell in the Southwest, and also over some portions of the corn belt where cultivation had been retarded and nobody can be quite sure that thecorn crop will finally be as large as estimated earlier in the month by the government. We do know that feeding operations will be heavy, and according to an Iowa report the farrowing of hogs during July exceeded by 3% the previous record established in Jun 1950, and the present figure is 41% greater than the ten year average for the years 1940-49.

When the visible supply was posted there was an increase of 5.7 million bu for wheat, total stocks amounting to 162 million bu or 21 million bu less than last year. Corn increased 833,000 bu to 35 1/2 million bu, the total stock being a little less than a year ago. Oats showed a small increase and there is nearly 14 million bu in all positions. Locally, we had an increase of 352,000 bu in wheat stocks with 3 3/4 million bu now here. There were hardly any changes for corn, rye, and barley, but oats increased 327,000 buwith nearly 7 million bu now on hand.

Mr. Truman's economic message was given to the Congress but there were no unexpected features. Turning to the defense issues, he estimated the current cost of U. S. security running at the annual rate of $35 billion. He said it would be increased to about $50 billion by the end of 1951 and nearly $65 billion by mid-1952. This apparently had no effect on grains in stimulating inflationary beliefs, and with the exception of the rye and corn markets most other cereals tended somewhat lower.

Mills found business very poor over the week-end and the weakness is merely encouraging a further delay in placing orders. In Canada, conditions are still very optimistic except for a section of Southern Manitoba where it has been dry and drought damage is apparent, although it is our belief that there were some rains in those sections yesterday. Australia continues to ship rather good quantities of wheat, 7 million bu having cleared during the last fortnight. This bring the total to 70 1/2 million bu since January 1st compared with 58 3/4 million a year ago. Trade in corn was rather light.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 24, 1951

The Southwest weather was considerably improved overnight, and the forecast is also favorable, so that harvesting operations can no doubt proceed more normally. This will bring some pressure to the markets as time goes on, but with the exception of the Nebraska movement we do not hear of any concentrated selling by producers. As a matter of fact, in the Chicago area the best overnight bid only brought in a few cars, so that very likely farmers are in the mood to hold after the recent declines which have occurred.

It is certainly true that statistically there is nothing very bullish in the world wheat situation. Commenting on this subject Broomhall points to the fact that spring wheat in our country and in Canada more than offsets the drop in the winter wheat production. He further states that with the exception of dryness in parts of the Argentine, early season conditions in the Southern Hemisphere are providing the crops with a good start. Besides, the Balkans have by far the best wheat crop since the war, while Soviet Russia is showing more interest in the western European market than for several years. It is pointed out that in no post war season to-date has there really been a large surplus in countries outside of ours. Thus we had markets mostly to our liking with very little seller competition, such as might develop this season if Canada harvests a big crop, also with pressure likely from the Balkans, Soviet Union, and Southern Hemisphere.

Were it not for the artificial situation provided by a high loan we could not talk friendly as we have during the past few weeks, but we foresee a situation that will tie up so much wheat if the price stays at present levels that the amonnts going into commercial channels may be relatively smaller than in recent years. Thus, it seems likely that after the first pressure has passed that markets may become more attractive. With that in mind we favor accumulations, particularly of the deferred months as an investment.

The wheat movement is somewhat larger, but even with this expansion, receipts are not up to the standard of other years, and there is no indication of a rush to market grain.

Weather conditions over Europe recently have been quite favorable, and this may be reflected in somewhat better estimates of production than earlier anticipated. At the same time crops are likely to be smaller than last season. Broomhall, however, now feels that the reduction is apt to be relatively modest. So for the first time our export problem may become a little difficult, although with the many countries which we are caring for, and with the subsidies which are granted it is quite different than when these artificial factors are not present.

According to the Peavey report, there is still a territory north of central North Dakota where rains are needed, but yet cool temperatures at night have been an important factor in maintaining the crop in this northern area. In a general way wheat harvest is still about three weeks away. The five-day forecast is reasonably favorable, although present temperatures are running high, and there may be some complaints unless frequent precipitation occurs.

Primary receipts of wheat were heavy today, amounting to 4,661,000 bu compared with 1,950,000 bu last week and 2,937,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 83,000 bu.

Trade was quite moderate, and there was a much better undertone, which was shown almost as soon as the opening bell rang. A good many people were of the opinion that the market had had a thorough liquidation, and that with so much grain going to be impounded there was little use in trying to await further breaks. On the other hand the flour business improved only a little, but we feel that if prices hold at this level or advance that there may be a change in attitude, as so often occurs after prices stabilize. Most purchases of flour recently have been for early shipment, but very likely some of the buyers have anticipated needs for two or three months, having purchased rather actively a fortnight ago.

Corn also advanced moderately, and there was some export business reported, but prices are not too remunerative, figuring 22 3/8¢ over September FOB vessel, August shipment from Baltimore.

Oats were influenced by reports from Illinois which were not too optimistic. In some cases, yields were poor and quality good, but in other sections it is still too wet to harvest.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

[illegible]

CHICAGO, [illegible] July 30, 1921

The Chicago cash position has considerably improved during the week, and the tone is far more stable, as their marketing operations can be fairly accurately [illegible]. This will bring some pressure to the receipts as time goes on, but with [illegible] position of the Northern spring wheat we do not look for any concentrated selling [illegible] sellers. As a matter of fact, in the Chicago area the best prices are being [illegible] one to a few cents, so that very likely farmers are in the mood to wait after [illegible] of deliveries which have occurred.

It is certainly true that statistically there is nothing very bullish in the world [illegible] situation. Corn moving on this subject Broomhall points to the fact that [illegible] spring wheat in our country and in Canada more than replaces the drop in the winter [illegible] production. He further states that with the corn group in parts of [illegible] requiring early season conditions in the Southern hemisphere, we [illegible] crop with a good start. Besides, the weather more by far is a bearish [illegible] is showing more improvement in the western belt than [illegible] there really been a time.

[illegible] very tiring sellers competition, and on this season it looks [illegible] the crop, even with prospects likely from [illegible] Southern hemisphere.

Were it not for the sentiment attention provided by a high tone we could not really as we have during the last few weeks, but we [illegible] attention that up so much which it the price steps at present level. But the sentiment [illegible] commercial channels may be relatively smaller than in recent years. Thus, it [illegible] likely that after the first pressure has passed that quotations may be more [illegible] active. With that in mind we [illegible]

[illegible] not up to the standard of other years, and there is no indication with regard to [illegible] crop.

Other conditions over Europe recently have been quite favorable, and this may be reflected in somewhat better estimates of production than earlier anticipated. The same time crops are likely to be smaller than last season. Broomhall, however, now feels that the reduction is not to be relatively great, so for the first [illegible] our export problem may become a little difficult, although with the heavy [illegible] which we are having for, and with the supplies which are [illegible] it is different than when these attractive results are not present.

According to the Argentine, there is still a territory north of Buenos [illegible] where rains are needed, but yet cool temperatures at night have [illegible] important factor in maintaining the crop in this month by [illegible] harvest is still about three weeks away. The dry-dry [illegible] continue [illegible] running high, and there may be some [illegible] damage of part [illegible].

[illegible] receipts were heavy today, amounting to 4,861,000 bu. [illegible] 1,000,000 bu last week, 2,427,000 bu last year. Kansas City and [illegible] stocks so far this week show an increase of 45,000 bu.

[illegible] was quite [illegible], and there was a much better undertone [illegible] a change in the opening bull [illegible]. A good many people were [illegible] the market had [illegible] thoroughly liquidated, and that [illegible] to be recommended there was little use in trying to sell [illegible] the short interest [illegible] only a little but we last [illegible] [illegible] shown that there may be [illegible] in [illegible] [illegible] stability. Local [illegible] of their position [illegible] [illegible] the [illegible] are now anticipated [illegible] [illegible] [illegible]

DAILY MARKET LETTER

MEMBERS:
Chicago Board of Trade
New York Produce Exchange
New York Cocoa Exchange
New York Coffee and Sugar Ex.
Commodity Exchange Inc.

UHLMANN GRAIN COMPANY, INC.
TELEPHONE WHITEHALL 4-1992
39 BROADWAY, NEW YORK 6, N. Y.

MEMBERS:
Minneapolis Chamber of Commerce
Winnipeg Grain Exchange
Duluth Board of Trade
Kansas City Board of Trade
Fort Worth Grain and Cotton Ex.
Chicago Mercantile Ex.

July 25, 1951

News from Korea was of a more optimistic nature today with the Communist cease-fire negotiators advancing a new proposal on the withdrawal of foreign troops from Korea. This apparently met with more favorable reaction. One U.N. spokesman called it "reasonable in content and phraseology," while Brig. General Nuckols stated the new Red proposition was more temperate and reasonable in tone than previous communist demands. The Wednesday session ended with a feeling, as stated by the Brig. General that they were getting somewhere.

Overnight weather in this country was mostly clear throughout the winter and spring wheat and corn areas, with a few scattered showers in our northwest and in Texas. Generally fair and warm temperatures prevail, with ranges slightly above normal. Weekly crop report from North Dakota bears out what our private sources have been telling us, that crop conditions continue to deteriorate in the northern counties of the state, with the dry topsoil and subsoil diminishing crop prospects, particularly in the northwestern and northeastern corner of the state. However, nearly all areas in the northern half would welcome a good soaking rain. The more moderate temperatures to date have prevented serious deterioration. One of our well posted friends feels that the crop is losing over the northern end of the Red River valley, northeast North Dakota, large areas in Montana, with the exception of the Great Falls area, and running north and west paralleling the Rocky Mountains. While he does not feel that we are headed for any disaster in that area, he does believe that there could easily be a shrinkage of several bushels per acre.

Meanwhile reports from most of the corn areas show favorable development. Iowa had almost ideal weather conditions the past week, and it is estimated that 77% of the total corn acreage has been laid by, which would compare with 71% on July 10, 1947, when we had another wet early season. Normally all the corn has received its final cultivation at this time of year. The Illinois weekly report mentions that a limited acreage of corn is still being cultivated, but the bulk of it is being laid by. It averages 4½ feet in height, which is a little short of the usual for this time, but slightly taller than last year's crop. Most soyabeans have been laid by and offer rather uniformly good yield outlook except for a limited water damaged area. Nebraska also mentions that corn improved during the week and that about 16% of the wheat was harvested up to last weekend. There are about eight southeastern counties in that state in which the outlook for corn is rather poor. Part of it has not been cultivated, and stands and color are poor. However, over the balance of the state considerable improvement has been experienced, with some of the earliest planted corn starting to tassel

The Canadian government crop report states that with some significant exceptions the crop outlook in the prairie provinces remains optimistic. Warmer weather has expanded development of crops in Alberta. Growth has been rapid in Saskatchewan, but rains are now urgently required in many southern sections. Conditions are not as favorable in Manitoba, particularly the south center area which is badly in need of rain and deterioration has already advanced in some districts. In the northeastern areas of that province crops are still in good condition.

Primary receipts of wheat today total 3,967,000 bu. vs 1,486,000 bu. last week and 2,263,000 bu. on the comparable day of last year. So far this week KansasCity and Minneapolis wheat stocks show a net decrease of 19,000 bu.

In checking up with our offices in Kansas, it seems to be the concensus that a large majority of the wheat which has moved so far and which is of proper quality is going to storage and while we cannot estimate what is actually going into the loan, the wheat is being put in a position where the loan could be sought.

There was very little feature to our market today and not much evidence of export or milling demand. It was reported during the session that the United Kingdom bought a million bu. Manitobas but we have not heard of any large transactions in our own wheat. The country has not been offering wheat very freely although carlot arrivals in Chicago amounted to 256 cars. However, much of this was probably applied on former sales. Towards the latter part of the session, further press reports were received that the Communists had offered a compromise on the Korean cease-fire talks under which withdrawl of foreign troops would not be discussed until after an armistice and indications are that the proposal will prove acceptable to the United Nations command.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 26, 1951.

After the close of the market yesterday, the government published figures on the carryover reserves, and showed that as of July 1st there was 395 million bu wheat on hand, probably an increase of 20 million bu over earlier figures. We do not yet have the breakdown; therefore, it is difficult to analyze whether the June exports were lighter due to the strike or whether less wheat was fed to animals, but in any case the present carryover is a very big one, and with the exception of last year and the record reserves of 1942 and 1943, there has never been anything greater. From the supply of 1,454 million bu on July 1, 1950, the computed disappearance was 1,058 million bu. However, there were import adjustments. This compared with 1,022 million bu the season earlier and the record disappearance of 1,287 million bu in the 1945-46 season. The amount of wheat and flour shipped abroad was very large, probably 3 1/2 times the normal when compared with the period, 1930-47. It is difficult to try to appraise our export possibilities for the current season but we have some doubt whether the same goal as last year will be reached owing to the fact that prospects in Canada are brighter, and later on there may be more competition from Southern Hemisphere, if their yields turn out according to present expectation.

The Department also reported relatively large stocks of all feed grains in storage on July 1st. It is true that the corn stock is 152 million bu less than at this time a year ago, but at the same rate of disappearance it would indicate a probable carryover of around 700 million bu in October. This is certainly high compared with prewar figures, although it must also be remembered quite a large quantity will be under government control. The carryover of oats is 79 million bu larger than last season, barley 8 million bu more, but the total rye stock has been reduced by about 4 1/2 million bu.

Taking all this news together, it was construed as somewhat bearish. Of course, there was another development overnight: namely, an agreement on part of the Communists to accept the cease-fire proposal. This had been more or less expected, and in fact, the reaction in the market yesterday was largely on this news.

Overnight weather was generally favorable, and the prospect is for clear skies over the southwestern sections of the country and the corn belt, but showers are likely for the Canadian Provinces and our Northwest. As we mentioned yesterday the government figure of 363 million bu for the spring wheat crop may be difficult to attain, but even some reduction would not be a calamity.

Little attention has been paid to the tremendous increase in the use of fertilizer, which has been such an important factor in giving us big crops during the past ten or twelve years. For example, fertilizer use in 1935 to 1939 averaged only about 350,000 tons; in 1944 it ran 600,000 tons, and as of today we are using 1,250,000 tons. The latter is practically 3 1/2 times prewar usage. With farm prosperity even a better showing might be made were it not for the nitrogen deficit for the past year, estimated by the Department of Agriculture to be anywhere from 150,000 to 200,000 tons. In other words, farmers would have bought much more had it been available.

Broomhall's figures on wheat and flour exports from the U.S. last week were 6.3 million bu, bringing the total so far this season to 18 million bu.

Primary receipts of wheat were quite substantial at 4,357,000 bu compared with 2,848,000 bu last week, and 2,788,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 172,000 bu.

The weakness which we reported earlier was shortlived. All wheat futures sold at season's lows, but there were substantial recoveries in spite of peace talk. One item was an improvement in export demand, with India reported as the purchaser of 3 cargoes of wheat, although we did not have any of the details. Flour business remains slow, and according to The Southwestern Miller practically none of the business was for shipment beyond August. Apparently bakers are watching the market carefully on hard winters and springs, waiting for buying spots, but meantime not becoming very aggressive.

Corn prices reacted after an early break, but there was some hesitation, and with hot weather now reported over the main belt it is assumed that growing conditions have improved, while a good part of the crop in Iowa has been laid-by. However, there are some complaints in growing areas that the appearance of the crop is not too good, although in central Illinois prospects are ideal. Oats and beans followed the pattern of the yellow cereal, and the close was lower.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 27, 1951.

High prices and small acreages are generally a contradiction, and it is not surprising, therefore, that with the Canadian farmers now well remunerated they should devote time and energy to the raising of big crops. According to a report just issued, the three Prairie Provinces will have almost as much acreage under cultivation as the intentions to plant, although this is still a decrease of about 1 1/4 million from last year. Still the total acreage at 25.7 million should produce an abundance of wheat if the weather holds out for another month. In that connection it might change our entire export program in relation to last season. The oat acreage in Canada is almost the same as intended, and nearly half a million larger than last year, while barley acreage is up 400,000 acres from the intended report, and nearly 1 1/2 million acres more than a year ago.

Markets responded today to an improvement in milling demand, and one of the southwestern chains must have bought rather heavily overnight, all of which resulted in hedges being covered at the opening. At the same time offerings were light, and thus the business created quite a flurry for a time with prices 1 to 2¢ per bu higher. There seemed to be little other news, and on the whole weather was satisfactory, although some unexpected rains occurred in Iowa and in western Illinois, with the prospect of more to come. The five-day forecast suggests precipitation amounting to from 1/2 to 1 inch, which for the most part is desirable. There is also a good forecast for the Northwest, showers to occur with intermittent regularity in about the same quantity as for the corn belt. It will probably be mostly fair in the Southwest with high temperatures tonight and Saturday, although a few thunderstorms in the extreme north portions of this area.

Wheat production this year in Mexico is forecast at 18 million bu compared with last year's record crop of 20 million bu. This, of course, still will require imports which will come largely from our country, and there has already been some business but we are certain that more will follow. The corn crop is favorable on an acreage of 10.5 million acres compared with 9.9 million last year.

During the past week there has been no change in the over-all moisture condition of Canada. It remains the same for the three Prairie Provinces, now standing at 93% of normal but an improvement of 13 percentage points compared with the same period of 1950. Manitoba shows the poorest condition of the three Provinces on account of lack of sufficient rainfall. Nevertheless, Searle Grain Co. points out that crops in general that were sown on summer fallow in Manitoba are standing up surprisingly well, probably for the reason that there had been good reserve moisture from previous periods. We should not be at all surprised to see final yields ranging from 425 to 475 million bu for that country.

Primary receipts of wheat amounted to 3,837,000 bu compared with 3,141,000 bu last week and 3,430,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 453,000 bu. When the visible supply is posted on Monday, it will compare with a very large increase last year of 14 1/4 million bu.

Trade was quite heavy at times but the advances did not hold and apparently early buying satisfied hedges that were taken out against flour business. A good many traders feel friendly to the market on the theory that large quantities are going to be impounded. We concur in this thought but also appreciate that with a crop probably larger than last year that it may be difficult at the beginning of the season to have sustained strength. Furthermore, the spring wheat movement is still to come; therefore, some irregularity should be anticipated.

Corn had a more difficult time than the leading cereal, and in fact, met opposition as soon as advances were registered. Booking from the country, however, were not particularly heavy. The warm weather should promote growth, and therefore, there seems to be more pressure on the December delivery than the nearby future. September beans were also lower. The present prices of crude soybean oil at 15¢ with meal at $70.00 show a satisfactory conversion as compared with cash soybeans. Nevertheless, the recent advance in the market has weakened the technical position and a good many people are still pointing to the prospects of the big cotton crop which will make quite a difference in the overall picture. While the market for fats and oils was very firm early these commodities failed to hold.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 30, 1951

There was very little change in the Kansas City and Minneapolis markets on Saturday while the Chicago Board of Trade was closed. Apparently little attention had been paid to the grain export schedule for September announced by PMA. Evidently 64.5 million bu of wheat and coarse grain is to be shipped during September, and most of the wheat is expected to move under IWA. The bulk of it is destined for India and Germany. The expotts will include about 49.5 million bu of wheat and rye, and 15 million bu of feed grains. The Department also programed a minimum of 37.6 million bu of wheat for the month of October. With this in mind the trade figured that at least until Canada was able to increase her shipments that our clearances would be very large, and undoubtedly higher prices at the start were a reflection of improved sentiment.

Weather was quite favorable over the week end, scattered showers occurring overnight in the Northwest, and at some points in the Canadian provinces, being heaviest at Battleford, where nearly an inch fell. In the Southwest and over our corn belt it was generally fair, with moderate temperatures. It looks as though there would be some precipitation in the form of scattered showers in Iowa tonight, but it will probably be fair east of the Mississippi River for the next 36 hours. Rather high temperatures and clear are expected for the Southwest tonight and Tuesday, except possibly showers in western Nebraska tonight.

Since last August wheat shipments from the United States, Canada, Argentina, Australia, and the Russia Danube basin have totaled 746.5 million bu compared with 652.6 million bu a year ago; thus indicating larger requirements, in spite of the fact that Europe had fine crops last summer. Under the circumstances one can figure that with greater deficits in Europe, and possibly in Asia that the surplus countries will probably have to ship sizeable quantities, but, of course, the Southern Hemisphere may be counted on to contribute a larger quantity than last year. The recent rains in Australia have gotten the crop off to an excellent start, although there is some confirmation of a smaller acreage, particularly in New South Wales where the rains came too late. We do not hear much of crop developments in Argentina, but shipments during the first week amounted to 1.6 million bu compared with 1.2 million bu the previous week, and since the first of August they have totaled 98.2 million bu compared with 84.2 the previous year, and 128.6 million bu the average for the years 1931 to 1935.

Weather over the Prairie Provinces during the past week was rather cool, but very heavy showers totaling one inch or more occurred over northeastern Alberta and northern Saskatchewan. There was no precipitation, or at least only a trace, over the extreme southern Alberta region and southwest Saskatchewan, while the remainder of the provinces reported rather meager relief. However, prospects, with the exception of Manitoba, are still very bright.

When the visible supply of wheat was posted, there was an increase of nearly 11 million bu. Total stocks now amount to practically 173 million bu but this is still 24.3 million bu smaller than last year. Corn stocks rose over a million bu to 34.3 million or about 3 million bu less than last season. Oats increased 742,000 bu to 14.7 vs 11.7 a year ago. Here at Chicago, we had our first good increase in stocks, nearly 2 million bu having been added to the supply which is now 5.6 million bu. Local corn stocks decreased to 9 1/4 million bu. Oats showed a small increase to total over 7 million bu. Rye, also due to imports, increased to 1.6 million bu but the bean stocks declined 337,000 bu leaving only 1.1 million bu in this market.

Prices were rather firm as far as wheat was concerned but corn was indifferent and there was some selling of the September delivery by a house with northwestern connections. However, December corn was relatively firm and there were some resting orders to buy.

Milling demand is rather dull as far as most of the big mills are concerned The buying flurry apparently did not last long and according to The Southwestern Miller most of the flour still is to be sold but the majority of bakers have hardly covered beyond early positions. There were heavy receipts at Kansas City but mills and elevator interests were pretty good buyers and the pressure was not felt to any extent. Trade on the whole was rather quiet.

Beans were quite strong. There is apparently some undisclosed talk at Washington that the government will apply price supports on the 1951 crop of cottonseed oil, also cottonseed meal and cotton linters. The details are not known.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 July 31, 1951.

While the administration feels that the Price Control Bill does not go far enough in trying to combat inflationary tendencies, there is little effort being made in Washington to curb the federal payroll, which is now running at the rate of more than $8 billion a year. According to the latest report by Sen. Byrd and his Committee, the government is filling new jobs at the rate of 1,100 persons per day each day in the month, and it is estimated that the 7% pay raise proposed by the President would add $456 million to the annual payroll outlay based on the March 31, 1951 employment figures. The increase proposed in the Senate Committee's recommendation would mean $506 million additional annual cost due to the larger number of employees. Thus, it can be seen that we are not going very far in trying to keep costs down. Congress in the meantime is wrestling with the problem of how to extract additional billions of dollars in taxes from the American people to meet the expected deficit in the 1952 federal budget. Should the government approve the new pay raise legislation even more taxes will have to be obtained, or at least sought.

When our market opened this morning prices were firm. There is considerable apprehension that despite the earlier statements of the agricultural experts, losses in the Southwest will be shown in the next government report due to flood damage, and a good many people believe that Kansas may not raise over 125 million bu, which, of course, would be a considerable reduction from the earlier estimates. There is also some fear expressed that the dry weather in the Argentine will have a distinctly unfavorable effect on their crop. The original estimate placed their wheat yield at 201.3 million bu, but it now looks as though the harvest may not be larger than 183 million. It is, of course, very early to come to such a determination, and there may yet be an expansion in acreage if there are early and adequate rains in the drier areas, although normally by this time planting has been largely completed. In any case, the crop is starting off rather poorly with reserve moisture supplies depleted, and it will require more than the usual rain during the growing season to counterbalance some of the adverse effects.

Australia on the other hand appears to be obtaining a satisfactory start, with moisture supplies fairly good over most of the country. However, we pointed out yesterday that there has been some reduction in the planted areas, and this will tend to limit the ultimate outturn. The main influence at home is the high loan, which, in our opinion, will mean heavy impoundings. It is too early to feel the effects of this as there is still plenty of free wheat coming on the market, but with the possibility that 400 million bu may be tied up and taken from commercial channels, we may have a rather tight situation later on.

In corn the loan will also be high, and based on the present parity of $1.75 a bu, it would amount to a farm loan of $1.57 1/2 to $1.58 if this were the beginning of the corn crop season. Last year the loan averaged $1.47. We shall naturally have to wait to see what the parity level is in October but in any case there is not much likelihood of any severe parity decline, although we did have a setback when the last computation was made, and this was the first decline since November 1949, and yet there have been several months when parity was unchanged from the month before. Corn stocks on July 1st totaled 1,270 million bu, which was 11% below the record stocks of 1950. However, it still looks as though reserves at end of the crop season might be 700 million bu, which is not too big a cut from the season earlier. The oat carryover of 298 million bu was the largest of record, while stocks of barley and sorghum grains were above average.

Primary receipts of wheat today totaled 4,089,000 bu against 4,661,000 bu last week and 3,462,000 bu comparable day of last year. Minneapolis and Kansas City stocks of wheat show a net increase of 275,000 bu.

The Southwestern Miller reports that flour business is only moderate and most mills are disappointed in the volume. Export flour sales also are slow. Germany is asking for offers of 100,000 tons of hard or red winter wheat for acceptance on Monday. Other countries are holding off pending a council meeting of the IWA, which is now being held in London. One of the items on the agenda seems to be a decision on the validity of the 6¢ carrying charge added to the maximum set down in the IWA agreement.

A report from the Northwest states that hot weather has hastened the ripening of grain, and that oats and barley harvest will be quite general this week. Also the hot weather has caused some deterioration in the dry areas, although summer fallowed wheat has held up well and seems to be filling in good shape, while the late-planted has suffered some damage.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 1, 1951

For some time now the trade had been prepared for a larger crop of spring and winter wheat than was raised last season, but with the cuts that are now likely, both Northwest and Southwest, there is some doubt whether we shall be able to reach that goal. One of our good friends in Minneapolis tells us that weather during the past week was for the most part hot and dry, and we note from the North Dakota state report that it was the hottest week of the year, with temperatures near or above 100 degrees on several days in all sections. Thus we can be prepared for some downward revisions, although it may apply more to barley and oats, and to a lesser extent to wheat. In any case, some reliable people are now guessing that spring wheat will not yield much above 330 million bu, which would be in contrast to the government's estimate of 363 million bu for July. Likewise, with the long series of difficulties in Kansas, such as drought, winter kill, insects, mosaic disease, and finally the floods, the Santa Fe Railroad believes that production may be back in line with the early season estimates of not more than 125 million bu. There was an intermittent period of favorable weather which sent hopes soaring for a much larger crop, and in late May and early June there were many beliefs expressed that we might raise 160 to 175 million bu, but those hopes are now dissipated. With so much light test weight wheat coming to market, we are now convinced that with the most disastrous floods in state's history, recent damage must have been heavy. Harvest has already been completed in the southern half of the state, so that a fairly adequate determination can now be made as to final results.

We shall, however, await the government estimate, which comes out in about a week, and at that time there may also be some fear expressed that the excessive rains were also severe on corn, particularly in the river bottoms, to say nothing of the damage to the land itself. The loss in Oklahoma was less severe, although the crop in that state is not good in comparison with the fine results obtained during some of the recent years. Not much mention has been made recently of Texas but that state had virtually a crop failure, and altogether there is not much pressure on the market. In fact, we have not even experienced anything of importance in our section of the country, where the crops turned out relatively better.

Thus cash wheat has shown an improved basis, which in turn has had quite an influence on the nearby deliveries, thus narrowing the carrying charges. In today's session September wheat was again strongest, hedges having been lifted against sales for export to Germany. It was thought that at least three cargoes had been worked overnight, but no details were given. However, judging from the amount of futures bought, the quantity might have been considerably larger. It was also thought likely that Germany might be after large quantities of rye, but since prices here are relative unattractive compared to Winnipeg, we doubt whether much business can be done at this time. Furthermore, there is no telling if the Canadian crop comes through according to present promise how much we may finally import from that country.

The overnight weather was mostly good, with moisture in eastern Missouri and north central and central portions of Illinois and Indiana. However, there are some places in the Northwest that could stand a good, soaking rain, particularly where deficits and where high temperatures have prevailed. The Nebraska weekly crop report indicated that corn had improved during the past week taking the state as a whole.

Primary receipts of wheat were fairly substantial at 4,370,000 bu compared with nearly 4 million bu last week, and 2,377,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 653,000 bu.

Wheat was strong right from the start, and it finally developed that the purchases by Germany amounted to about 6 1/4 million bu, including 3 or 4 cargoes of red wheat, also a smaller quantity of spring wheat, and the balance apparently hard wheat to be shipped out of the Gulf. All of this, of course, occasioned not only removal of hedges, but also comment that export business would have quite an influence, particularly with the small crops in Texas and Oklahoma, with sellers having to reach to the interior of the country for supplies. #2 red wheat in Chicago sold at only 1/2¢ under the future, but we find that flour sales are light, with even large mills reporting only small business.

Corn was higher; in fact, most cereals finally heeded the advance of the leading cereal. Not much attention was paid to a railroad crop report indicating a production of corn at only 3 billion bu. Most people regarded this estimate as being too low, particularly as the same source was on the very conservative side last year. Most of the state reports were quite optimistic on the progress of corn during the past week

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements or fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 2, 1951.

There was very little grain news overnight. Weather had been mostly fair in the Southwest, and there is not much change indicated. However, a few scattered showers may occur in the spring wheat areas, and already there was a heavy rain around Fargo, N. D., but this precipitation was not general. As so often happens after export business takes place in big volume, there is a lull for some time, but even on yesterday's sales to Germany of over 6 million bu, it was difficult to trace any quantity of futures buying of such size, from which we draw the conclusion that some of the exporters might already have been long anticipating that business would develop. Britain was in the market today but apparently bought mostly Manitoba wheat, and the previous arguments with respect to the 6¢ carrying charge are being overlooked for the moment, but apparently this factor will be argued at a later date.

We do not hear much about the Canadian crop, and the Ottawa government does not issue statements nearly as frequently as we do in our country, but there are many people who claim that conditions are reminiscent of 1915, when there was a yield of 395 million bu, which was then a record by a wide margin. In the meantime, acreages have been expanded, but never since that time was the yield of 26.1 bu per acre attained; so one could easily see that with more than 25 million acres sown to wheat, if something similar occurred they would have a crop of approximately 650 million bu. Nobody is talking such fantastic yields but as of June 30th the condition estimate was 109% of normal; so the crop might still be in excess of 450 million bu, which is now being discussed rather generally. Broomhall points out that Canada will go into the new season with twice the normal carryover. However, a good part of it is low grade wheat, but yet will have to find a market, and may finally be used for feeding purposes.

There are other bearish situations developing, as for example, the Balkans have by far the best wheat crop since the war, while Russia is showing more interest in the Western European market than for years past. Also, the 1951 crops of Europe, while smaller than last year, may not be too bad in comparison as the recent improvement may have been considerable. Broomhall also points out that the post-war market has not been tested by seller-competition, such as might develop in the event of really substantial surpluses in Canada, the Balkans, Russia, and finally the Southern Hemisphere. Of course, there is no thought given to the fact that we are still selling a considerable quantity of our wheat on credit. Some is being given away, and finally the artificial loan at such a high level is bound to tie up large quantities; so we are not looking for any drastic breaks as far as the U.S. price level is concerned.

We do believe that there may be some further pressure when spring wheat moves, but in view of the experience we have had thus far, markets have not been called upon to absorb too many hedges. Moreover, spring wheat farmers have always been in the habit of taking storage tickets on a big scale even before the loan became operative. Consequently, chances are not great that there will be a rush to sell after their wheat is ready to be moved.

There was a little better flour business late yesterday. A big independent baker bought a good portion of his requirements for the next four months. This, however, was not general, but at least indicated that some forward business was being accomplished. The Chicago corn-hog ratio was 11.3, a slight decline from last week and compares with 13.4 for the comparable period last year.

Primary receipts of wheat amounted to 3.4 million bu compared with 4.3 million bu last week, and 2.8 million last year. Kansas City and Minneapolis stocks so far this week show a net increase of a little over 1 million bu.

Markets were without much trend, but there was some buying on reactions, and wheat had a fairly good undertone, although there was nothing in the way of important export business, and milling demand on the whole was rather indifferent, with the exception of one or two good orders which we mentioned previously. In any case, pressure from the country was not heavy, there were still pretty good receipts at Kansas City and at some of the southwestern markets, but chances are that these will gradually taper off. In the meantime, Chicago is not building up too big a wheat stock, and for that reason there is some question whether carrying charges are going to be important for the remainder of theseason.

Corn was a little weak early, but recovered, and became rather strong, but there was no special feature, and advices from the country are still quite optimistic.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 3, 1951

There was nothing particular in the overnight news. There had been a few scattered showers but really unimportant taking the country as a whole. Cash markets in some instances had shown setbacks, particularly in the Southwest where some types of milling wheat had receded 2 to 2 1/2¢ a bu recently and the receipts at Kansas City keep up pretty well but chances are that this will not last long. As a matter of fact floods have taken a heavy toll of the winter wheat crop, and Galvin's report today showed a downward revision from last month. The main losses came in Nebraska and Kansas. The prospective crop in Kansas is 126.7 million bu, or about the same as the Santa Fe report of a few days ago, both of which were in line with private estimates. Nebraska was cut to 64.8 million bu, and thus the states tributary to the gulf have shown up rather poorly in comparison with the good years, especially Texas where the crop was only 15 million bu, one of the worst failures in many seasons. Altogether winter wheat is now estimated at 664 million bu, which compares with the last government figure of 706 million bu. The private expert cut the spring wheat crop to 352 million bu, which was not very great. That compared with 362 million bu, the official estimate, but for the month the total loss in all sections was about 53 million bu. It seems that in the Northwest high temperatures and drought which prevailed over half of North Dakota caused some setbacks but this was partially offset by favorable weather in South Dakota and parts of Montana.

We are still getting rather favorable reports from the Canadian spring wheat areas and the past week showed favorable progress. According to Sanford Evans, there were two developments in the Prairie Provinces: first, timely and helpful rains which fell in parts of Manitoba and Saskatchewan where the drought had been bad, and also warm to hot weather which hastened the growth of crops in parts of Saskatchewan where hitherto progress had been considered slow. There have also been some favorable rains in the Argentine during the past week which helped to relieve the drought. As we mentioned earlier that crop has been tentatively cut to 183 million bu, but there may be some improvement if additional acreage is sown. Since the first of January grain shipments from that country are nearly 70 million bu compared with 67.7 million last year and 44.5 million two years ago.

While we have referred lately to a rather pessimistic report on corn made by the Chicago & North Western Railroad, this was not confirmed in today's data as the estimate was for 3,310 million bu, a slight improvement over the previous month. Apparently even through some flood damage Iowa still stacks up pretty well, with an indicated crop of 526.8 million bu. Illinois is scheduled to raise 511.5 million bu. The oat crop showed improvement and yields are generally higher than earlier indications, with the possibility now of raising 1,409 million bu for all states. Production of soybeans is estimated at 274 million bu compared with last year's crop of 287 million, and the ten-year average of only 164.4 million bu. All in all, taking adverse weather and the various diseases from insects, pests, etc., we have much for which to be thankful.

Broomhall tells us that European harvest is making steady headway despite occasional rains. There is much more farm machinery in some countries despite the havoc of war. For example, Great Britain is using 1,700 combine machines to harvest its crop compared with only 150 machines twelve years ago. The French wheat crop is estimated at 264 million bu, with a probable carryover of 55 million, so that total supplies for that nation will be about 320 million bu.

Primary receipts of wheat today totaled 3,229,000 bu vs 3,837,000 bu a week ago, and 2,558,000 bu on comparable day of last year. Kansas City and Minneapolis stocks so far this week show a net increase of 1,429,000 bu. When the visible is posted on Monday it will compare with an increase a year ago of 10,381,000 bu.

It was reported that Germany purchased a cargo of #2 hard winter wheat at the Gulf. So far this week, it is estimated that country bought 175,000 tons of wheat in the U. S., leaving a balance of 25,000 tons to be purchased against the original request. Meanwhile, bookings of flour have tapered off further, and overnight busines was the smallest of the week. Also very little demand for flour in export channels.

Our markets seem to be marking time without any decided price trend at the moment.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 6, 1951

The Department of Agriculture is out this morning with its August issue of the WHEAT SITUATION, which is one of the finest publications published, particularly for those who are interested in data and statistics dealing with this important commodity. There are, however, some figures used which are not quite up to-date owing to the fact that there has been deterioration both in spring and winter wheat areas since July, and on that basis revisions will have to be made when the next report is issued on August 10th on the size of crops. They figure that wheat supplies in prospect for 1951-52 are sufficient to meet anticipated domestic and export requirements without significantly reducing the size of our carryover. They also take into account the total supply now estimated at 1,505 million bu, which they say has been exceeded only three times in the past, but in this resume they count on a crop of 1,070 million bu, which, in our opinion, may be 30 to 40 million bu too high. As far as reserve stocks of 395 million bu, this is undoubtedly correct, and while they allow for 40 million bu wheat imported for feeding purposes, that is also a little misleading except to the extent that it may cut down the amount of domestic wheat that will be used for livestock purposes. It is interesting to note that disappearance in the year ahead may total 755 million bu compared with 707 million bu in the season just completed.

There is some mention of our exports totaling about the same as last year, which was 364 million bu, but on that score a great deal will depend on the outcome of the Canadian crop, also the prospective demand for Europe, and lastly the eagerness to either sell on credit or to give our supplies away. On July 25th their findings show that wheat prices were about 7¢ below the effective support level and at about the low of the season to-date. They point out, as we have on several occasions, that if prices remain below support levels a large quantity of wheat may again be expected to go into storage and under the loan program. Finally, of course, this would bring about a strengthening of prices as the season advances. It is difficult to over estimate the tremendous effect that the supports, loans, and high parities have had on our whole economic structure. For example, at about the time that World War II started, wheat prices to growers averaged about 67¢ a bu, and have gone up steadily ever since. The highest monthly price reached was in mid-January 1948 of $2.81 a bu. This was during a period of heavy production, and even accumulation, and the high price at home reflected strong world import demand resulting from short crops in many deficiency countries.

Under our present expanded program, wheat disappearance in 1950-51 was 1,071 million bu, and this has been exceeded only six times in history. The heavy shipments were due largely to a crop failure in Canada with the quality of wheat adversely affected, but yet our home usage of 707 million bu comprised 500 million bu for food, including military requirements, seed 86 million bu, and feed 121 million bu. In the coming year the Department figures that the amount of wheat needed for food, including civilian and military, will be 507 million bu, 88 million for seed, and 160 million for feed. The latter, however, is to include the 40 million partially or completely frost-damaged grain imported from Canada, and thus should not be taken too seriously, inasmuch as it is unfit for human needs. However it could easily reduce demand for other domestic feeds.

When the visible supply of wheat was posted there was an increase of more than 12 million bu. Total stocks in all positions are now 185 million bu compared with 207.6 million bu last year. Corn increased 1 3/4 million to a total of 32.6 million bu but there is still 6 million less on hand than last season. Oats increased 1 1/2 million bu to a total of 16 1/4 million, the new figure being 3.7 million bu more than a year ago. We had a good increase in Chicago wheat stocks of 2 1/2 million with more than 8 million bu now held here. Local corn stocks decreased 647,000 bu which leaves 8.6 million here in Chicago. The oat stocks increased over a million bu to 8.2 million while in rye and beans there were decreases which were not particularly significant although there is only 980,000 bu soybeans left here.

Markets were somewhat firmer early and September corn was rather strong but this had only a passing influence on the new crop months which finally weakened in spite of some complaints of high temperatures southwest. Most of the reports that are coming in still talk of a very favorable condition over most of the corn belt areas. There was quite a little rain over the week end in both Illinois and Indiana with some showers in Iowa while the northwest experienced good precipitation and one of our friends in Minneapolis is of the opinion that while there have been some losses sustained during the past two weeks, that the government estimate last July had made some allowance for possible damage. Altogether the final result may not be much below the last official figure.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 7, 1951

Since 1946 we have been raising bumper corn crops in this country, with yields mostly in excess of 3 billion bu except in 1947 when there was a failure and only 2,383 million bu was harvested, but we can recall many previous occasions when a crop of that size was sufficient to take care of the animal population without reducing the diet of the American consumer. It would be almost a tragedy, however, if we reverted to our former status since everyone enjoys meat, and it takes about 7 pounds of grain and forage to produce a pound of meat. Therefore, there are only a few countries in the world that can afford this luxury. Despite the large number of livestock to be fed the feed concentrate supply is regarded ample, and there are many factors outside of corn which have helped in this direction. For example, a record haysupply of nearly 129 million tons is in prospect for the 1951-52 season, which should take care of the prospective number of livestock on farms. The July pastures were unusually good over most of the country, and a very wet season was a big help. The total production of the four feed grains, including corn, oats, barley, and sorghum, will be about 127 million tons. If this promise finds fulfillment it will be a little larger than in the past two years, and the second largest on record. We shall have new figures within a few days but unless there is serious deterioration from the July indications, the total feed concentrate supply will be about 183 million tons for the third successive year. This compares with a high prior to 1949 of only 172 million tons established in 1942, and a prewar average of 136 million tons.

A corn crop of nearly 3.3 billion bu, if realized, would be the third largest on record and a carryover of some 735 million bu is now in prospect. Thus it is likely that even with a moderate increase in corn consumption we may have a reserve stock of 600 million bu at the end of 1951-52 marketing year. Supplies of oats and barley are estimated to be a little smaller than last season but still above the immediate prewar average.

We have just studied some data and statistics with respect to last year's impoundings of wheat, since this factor is so very important in our price structure. We find that in the four soft winter wheat states, comprising Illinois, Indiana, Michigan, and Ohio, less than 5 million bu was placed under the loan last year, and certainly a small quantity in relation to a total of 196 million bu that had been impounded. The heaviest quantities tied up were in the Southwest, with Kansas, Oklahoma, Texas, Nebraska, and Missouri accounting for 79.2 million bu. While not much comment is generally made of the Pacific Northwest, there was 58.5 million bu taken out of commercial supplies in Washington, Oregon, and Idaho, while in the spring wheat territory, or our own Northwest, 49.5 million bu was impounded in the four states:namely, North Dakota, South Dakota, Minnesota, and Montana. The total of these four districts adds up to 192.2 million bu, leaving only 4 million bu for the balance of the country pretty well scattered. It is possibly indicative of what we may look for in the season ahead, particularly as so many people have argued that more wheat in the Central States might find its way into the loan, and, of course, it will be interesting to see whether this takes place, with market prices comparatively less attractive than the loan last year, which may have changed the thinking on part of producers.

Primary receipts of wheat amounted to 3,143,000 bu compared with slightly more than 4 million bu last week and 2 1/2 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 363,000 bu.

Cash receipts of farmers continue to hold up well having been $2.6 billion during July, about 11% above July, 1950, mostly because of higher prices. All major livestock groups were substantially above last July, while dairy and poultry products were a little lower.

Markets became very strong after mid-session with some local short covering and lack of pressure. Flour business was moderate but there was a report that Germany had asked for offers of #2 red, also #2 soft wheat and #1 dark northern, all Atlantic, for reply by tomorrow. This following the large orders of last week occasioned some buying with markets strong and maintaining the bulge fairly well until the last. Corn followed reluctantly except the September delivery which gained further on the deferred months. Oils and Lard were indifferent. It is quite possible that the civilian disappearance of edible fats and oils will be somewhat smaller than the 45.5 pounds per person rate attained a year earlier. Favorable prospects of Lard output and large crops of the oilseeds which are used in the production of edible vegetable oils point to large supplies of food fats and oils well into 1952.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

August 8, 1951

CHICAGO, 4

There were scattered showers over some portions of the Canadian Provinces, and they also reached Minnesota, eastern Iowa, and eastern Kansas, with the possibility that more rain will occur in our Northwest. Also, we should have precipitation and normal temperatures tonight and Thursday for most of the corn belt, including Illinois, Indiana and Iowa. This, of course, is very favorable, but there were other factors apparently that influenced our market this morning, mainly the additional export business to Germany, with about 1 3/4 million bu wheat sold, of which about 3 cargoes were presumably spring wheat, and a few cargoes red wheat, but we heard of nothing in the form of hard winters from the gulf. There was also talk that Germany would be in the market for an additional quantity of 1 3/4 million bu, and this had a rather firming influence, although other European countries continue indifferent. There is some evidence of a move toward reducing the stockpiles that were previously built up; also, better crop outturns abroad and a greater hope of cease-fire in Korea which may have encouraged various countries to hold back until the large Canadian crop was available.

According to Broomhall, harvesting is now making satisfactory progress in a number of European countries, and work has been largely completed in the South There was satisfactory progress in France but no new estimates of the probable wheat outturn, although trade sources continue to report that it will be smaller than last year. Offerings of bread grains are now abundant in Germany with harvesting operations expanding in the western sections, with the result that the combined wheat and rye crops are expected to show very little change from last year. In Italy, harvesting operations are completed and reports of threshings, while only fragmentary, will tend to substantiate estimates of a smaller outturn than in 1950. The U.K. is said to have crops of good appearance but yields of all cereals are still expected to be below average. Thus we must be prepared now for some reductions as compared with 1950 yields, but with a much better prospect in Canada no great concern in warranted. The IWA, which our government has regarded as so beneficial to the participating countries, seems to work out whenever the importing countries are in the mood to live up to the contract but apparently no penalties are placed on those who default, and for example, Italy in the crop year just recently closed took about 10 1/2 million bu less wheat than their specific quota, but then turned around and bought 8 million bu wheat from Russia and 18 million from the Argentine, the latter two not being members of IWA, Italy apparently was more interested in helping her own foreign trade position. She has again agreed to take 40.4 million bu from IWA exporters, and the chances are if it suits her purpose she will do so, but there is no way of assessing penalties if smaller quantities are purchased.

Domestic flour business recently has been a little better, and we mentioned yesterday that this stimulated futures buying. However, it is still not up to the seasonal volume although an occasional good-sized order here and there is helpful. The weekly reports were generally favorable although some high temperatures had been reported over many parts of the Southwest, which may take a toll from the corn crop. However, in Iowa weather is near seasonal, although at the beginning of last week high temperatures prevailed. Nevertheless some showers were beneficial and cooled temperatures to several degrees below the normal daily maxima. The weekly Iowa report claimed that weather conditions the past week had been nearly ideal for the corn crop, tasseling progressed rapidly in all areas of the state with 63% of the total acreage reaching that stage by August 4th.

Primary receipts of wheat amounted to 2,436,000 bu compared with 4,370,000 bu last week and 1,714,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 715,000 bu.

Markets were not particularly active and best prices did not hold. During our session there was a bearish report on cotton indicating a yield of 17,266,000 bales which had a little influence on beans but other grains seemed to be quite indifferent. In the six years since World War 2 livestock inventories and the production of meat, milk and eggs in Northwestern Europe have made remarkable gains. Except for their generally poor crop year 1947, production has increased rapidly because of favorable harvests but they still require imports from abroad which makes us feel that our corn will continue to move through foreign trade channels for some time to come. The U.K. bought some Manitoba wheat but apparently was not interested in our market. On the other hand, there seems to be a reasonably good flour demand at times although individual orders are not particularly large.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

According to The Southwestern Miller independent buyers are coming into the market in more substantial numbers for 120-day coverage than at any time on the crop

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.
CHICAGO, 4

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

August 9, 1951

The Department of Agriculture has just given us preliminary figures on wheat and flour exports for the month of June, which they say amounted to 39,733,000 bu. If this is correct it would make the total for the season 361.6 million compared with 298.6 the year before. There are, of course, a good many reasons why our grain shipments have been heavy. We have mentioned on several occasions that the poor quality wheat in Canada was definitely a factor in creating a bigger demand for our wheat, but Department officials have ascribed the increase also to efforts of European countries to rebuild their stocks of wheat following the Korean reverses in December, as well as expanded operations under IWA, and the fact that, generally speaking, the U.S. was the only world source of wheat supplies able to fill the gap of reduced Canadian exports resulting from a poor crop and a tight shipping situation in that country. We have, of course, had years recently when wheat and flour shipments were heavier than the 361 million bu figure just mentioned, but taking exports of other grains and products of 245.8 million bu, it means that total shipments of all grain were in excess of 607 million compared with only 484 million bu last season. The largest volume of grain exports since the end of World War II was 680 million bu in 1948-49.

It is also true that we started our last crop year with a rather slow export program; in fact, clearances for the first 6 months lagged to an extent that they were the smallest since the end of World War II, but a sharp expansion in the latter half of 1950-51 of 385 million bu gave us the large total. The best month was April 1951 when nearly 58 million bu in the form of wheat, flour, and macaroni were exported, and more than 30 million bu other grains went into foreign trade channels. The total of 88 million bu that was shipped during April was the highest ever attained. Trying to break down the figure of 245.8 million bu of grain products other than wheat and flour we find that shipments of corn were heavy, having been nearly 112 million bu, next came exports of sorghums, which amounted to 76.7 million, barley, which accounted for 34.3 million, and rye 6.3 million bu. There were some small quantities of oats and other products but the latter were of little significance. 56% of our grain shipments went to ECA countries, 11% to the Pacific occupied areas, 25% was destined for Brazil, Canada, Egypt, India, Israel, Mexico, and Yugoslavia, while miscellaneous countries took the balance, which was 8%.

There had been some moisture overnight in our Northwest, with fairly general showers also in Alberta and Saskatchewan, extending into Manitoba. Temperatures were on the low side during the night with minima down to 37 at one or two points. We also had fair moisture over the corn belt, and some heavy rains in our Southwest, with nearly 3 inches at Hutchinson, Kansas.

Canadian grain authorities have expressed themselves as mostly optimistic on wheat conditions for that country. They look for a harvest that may exceed 400 million bu against the 10-year average of 387 million. Last year the yield was 462 million but pre-seasonal frost marred the quality.

Primary receipts of wheat were 2,309,000 bu compared with 3,421,000 bu last week and 1,946,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 942,000 bu.

Trade was not particularly heavy. The good export business of yesterday seemed to be lacking although we heard of more than a million bu of Manitobas sold to the U.K. of which 700,000 bu were from the Pacific Coast and the balance from Montreal. It was also a fact that flour sales had declined after a good volume of the previous few days. However, some of our buying of futures was prompted by a statement of Mr. Eric Johnson who talked of the increase in freight rates and figured that living costs, including food prices, might increase 5 to 8% before the end of the year. This created a little more bullish sentiment in the market but best prices of the day did not hold although at times there was quite a little buying of beans probably in sympathy with higher prices for cottonseed oil. We still have the Northwest movement ahead, and tomorrow, after the close, a government report. Therefore, believe that traders will be cautious for the time being but with heavy wheat impoundings likely there is probably some absorption on set-backs.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 10, 1951

Soaking the rich has become a favorite means of obtaining revenue. This system has gone so far that still higher levies will undoubtedly result in diminishing revenue, and thus the burdens will finally be shifted to the lower income tax groups. The best example is in Great Britain, where the wealthy people have been virtually wiped out and those with moderate incomes have been badly plucked, so that now a great proportion of the tax burden is borne by the working class. We hope that gaining by Britain's experience, we will profit in this country before it is too late. One of the large financial houses in the East points out that the over-all tax ceiling on an individual's income is now 88%. Under the House Bill it would be further raised to 90%. On [redacted] income [redacted] $80,000 a year, a person would pay 94 1/2% to the government. In other words, such a person would be working about nine days out of ten for the federal government, and would spend a large part of the remainder of his time working for state and local governments. This authority claims that there is no justification either in morals or in economics for such seizure of private income, and points out that it deprives the individual of any incentive to take risks and thus help to expand the economy and to create new jobs. In the past risk-taking by those with surplus money has been an important factor in our great industrial program. In contrast, however, there is no inducement at present for persons of wealth to invest in risk-taking ventures as the net return would be no greater than on an investment in government securities.

In 1924, President Coolidge made this statement in his Lincoln Day address: "I agree perfectly with those who wish to relieve the small taxpayer by getting the largest possible contribution from the people with large incomes. But if the rates on large incomes are so high that they disappear, the small taxpayer will be left to bear the entire burden. If, on the other hand, the rates are placed where they will produce the most revenue from large incomes, then the small taxpayer will be relieved.... the opinion of the best experts place the rate which will collect most from the people of great wealth, thus giving the largest relief to people of moderate wealth, at not over 25 percent." When the income tax law was first instituted in 1913, the tax started at 1% of income, but since the 1930's the levy has been upped until nowit takes as much as 88% of income.

Our wheat market opened barely steady, and it is being generally recognized that despite subsidies our exports may slacken as soon as purchases by Germany have been completed, as Britain is going largely for Manitobas. Even with heavier shipments to India, it leaves very few other countries that are urgently in need of immediate requirements, at least while the European harvests are taking care of current needs. Austria bought a small quantity yesterday, mostly spring wheat, but even with the large allocations, most of the importers appear to be indifferent at the moment. Harvesting operations are in full blast in South Dakota, the beginning of the spring wheat movement, and this will gradually work northward, although we do not want to forget that Canadian wheat was sown about ten days later than usual, which means that maturity may be a week behind schedule, and thus an additional hazard of frost, something to be remembered after last year's experience. Canada's over-all moisture, according to the Searle Grain Co. report, was 93% of normal, which was the same as last week but compares with only 81% a year ago. Even Manitoba, which had previously suffered from drought has recently improved.

The sale price on government-owned surplus corn in Illinois was advanced 2¢ a bu, but since the federal agency had not been selling much hitherto, this was hardly a market factor, particularly with the fine weather that is now pretty generally reported over the belt. Still we cannot overlook the near record commercial use of corn with the increased livestock numbers and the disappearance for the past quarter was about 9% above the ten-year average, although 3% below last year's record. A largepart of the carryover reserve will be undoubtedly in government hands because of previous accumulations although with high prices that obtained last season, only 51.5 million bu was placed under the government support program compared with 373.4 million bu the previous year.

Wheat primaries of 3,175,000 bu were about in line with last week and compared with 2 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 1.3 million bu. When the visible supply is posted on Monday, it will compare with an increase last year of about 9 3/4 million bu.

There was no special trend to our markets except soybeans which were independently strong, probably influenced by reports that agriculture will support price for cottonseed by-products, which is something new. There is a much slower flour business and outside of a small cargo of wheat to Ireland late in the day we could not check much new business.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 13, 1951

After the close of the market on Friday the government report was issued, and generally speaking, the reductions from the previous month were considerable. We had been skeptical of the mid-monthly statement made by certain officials that flood conditions had been anticipated and that consequently crop production would not be seriously affected. Actually, there was a cut of about 72 million bu in both winter and spring wheat districts, although the heaviest cuts were in the Southwest, with Kansas, Oklahoma, Texas, and Nebraska producing only about 243 million bu vs 328.5 million bu last year. The reductions in the soft winter wheat areas were less pronounced, and Ohio, Indiana, Illinois, and Michigan have a prospect of 123 million bu, which is a decline from 136 million last month and compares with 135.5 million bu last year.

With all these figures now on hand, we can reappraise the wheat situation for the current season. On basis of a total wheat crop of 998 million bu, which incidentally is the first in eight years to fall under the billion-bushel mark, and taking into account the carryover reserve of 395 million bu, the total supply at the beginning of the season should be 1,393 million bu. To this we must add 40 million bu probably imported from Canada, although the latter figure will show up again in heavier feeding disappearance since the quality of the wheat was poor and chances are it is unfit for human purposes. In any event it gives us an over-all total of 1,433 million bu against the previous month's estimate of 1,505 million bu. BAE forecasts that domestic disappearance in the 1951-52 crop-year will total 755 million bu, consisting of 507 million for civilian (Continent and Territories), also military food, in addition to which 88 million bu is likely to be used for seed and 160 million bu for feed, of which the 40 million that we have previously mentioned is expected to be frost-damaged wheat imported from Canada. Food use is expected to remain at about 3.2 bu per person. If we subtract the total domestic disappearance of 755 million bu from the total supply of 1,433 million bu, it would leave 678 million bu for export and next carryover. In our calculations we are not allowing for more than 300 million bu to be shipped from the country compared with 361 million bu last year, for the reason that Canada will undoubtedly take up the slack, which was not the case last season when nearly half the Canadian crop was of inferior quality. If these assumptions are about in line with reality, it would give us a carryover on July 1, 1952 of 378 million bu. That would compare with 395 million bu on July 1st this year, 427 million bu on July 1, 1950, and a ten-year average of 334 million bu in the period 1941-50. Thus there is no shortage indicated, but on the other hand it still looks as though very large quantities of spring wheat and Pacific Coast wheat would be impounded. If this is the case we may have artificial markets as the season progresses.

In corn there was also disappointment expressed in the government figures, with a reduction of nearly 100 million bu from last month, and it comes at a time when the number of animals on feed is so great that we may have further inroads made on our accumulations. We must also consider that a corn crop of 3,207 million bu is not so much greater than last season, plus the fact that milo has also been reduced to 157.8 million bu, while last year's yield was 237.4 million bu. Our oat crop was somewhat better than last month, and yet shows a decline from last year, the reduction amounting to about 72 million bu, while barley production also shows a decrease of 46 million bu compared with last season. The only big offset is that a better than normal hay crop is in sight, while pastures are also in good shape due to the excessive moisture which has occurred over much of the territory.

The visible supply of wheat showed an increase of nearly 9 1/2 million bu, with total stocks now 194 1/2 million bu or 23 million bu smaller than last year. Corn decreased nearly 3 million bu reducing the total to 29.6 million bu compared with 38.1 million bu a year ago. Oat stocks increased 1 3/4 million bu to 18 million bu vs 13.6 million bu last year. Chicago wheat stocks have increased to 9.4 million bu. Local corn stocks are down to 7.9 million bu. Oats increased to 9.2 million bu, while rye showed a big decrease and there is only 847,000 bu left here and 668,000 bu of beans.

Markets were fairly active at times. There was underlying strength due to the bullish construction placed on the government report. Soybeans showed the largest gain but new crop corn deliveries were also in demand with short covering a factor but there was some lag in the September with one of the large users temporarily out of the market.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

In our Friday's letter, there was a mis-print. We had intended to say that on all income over $80,000 a year a person would pay 94 1/2% to the government, under

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 14, 1951

After the close of the market yesterday we received advices from the Searle Grain Company Limited, Winnipeg, on probable yields of Canadian grains with the qualifying statement that it was subject to no frost damage. They pointed out that crops were still growing in the Prairie Provinces and it was anywhere from two to three weeks before harvest. With that in mind they figured that wheat would yield about 537 million bu, oats 334 million, barley 242 million, and a rye crop of 18.6 million. Under ordinary circumstances we might add 20 to 25 million bu for Eastern Canadian wheat, which might finally give us a total crop of 560 million bu. If that were possible it would top some of the previous high records in Canada, as a banner crop was raised in 1928, with a yield of 556 million bu; this was repeated again in 1942, when a similar-sized crop was raised. However, we must consider that total domestic disappearance in that country probably will not exceed 155 million bu. This includes not only the amount of wheat used for food, feed, and seed, but also estimated losses in handling, drying, and a small quantity for alcoholic purposes. Therefore, with a substantial carryover Canada might start with a very large reserve, although a fair amount of last year's surplus consists of inferior grade wheat that may have to be used for animal feeding. In any case it poses an additional barrier to heavier shipments from our country except for the fact that there are probably some transportation difficulties up there; furthermore, we have large outlets to countries where we are either giving our wheat away, or selling it on credit, or else offering it under a heavy subsidy. Sanford Evans estimates that the Canadian carryover of wheat on July 31, 1951, amounted to about 173 million bu compared with 112 million bu the year earlier.

A few days ago the Central Statistical Office in Italy placed the probable wheat production this year at 248 million bu, which was somewhat smaller than Broomhall's correspondent, who had made an estimate last June. This compared with 268 million bu the year before and 275 million bu two years ago, so that together with some losses in France and other European countries, import requirements may be somewhat bigger than last season. It is not reasonable to place too much credence in heavy shipments from Russia. During the 1950-51 season total wheat exports were 22.4 million bu, which was somewhat larger than the 13 million shipped the previous season, but in any case it is not a large quantity taking into account total world shipments. In addition to the Russian wheat exports there was about 12 million bu corn cleared, also 12.8 million bu barley and 3.7 million bu oats, all contributing factors, but certainly small in comparison with what is furnished by Canada and the United States.

Kansas City carlot receipts of wheat were smaller at 373 compared with 148 a year ago, but there is no great pressure, and it is still a question how big the gulf exports will be with the small crops in Texas and Oklahoma, and the great reduction in Kansas owing to the flood. The Southwestern Miller points out that one of the main factors behind near stagnation in the export wheat business is the inability of U. S. exporters to offer hard winters and springs within IWA maxima on basis of the present subsidy, even including the 6¢ carrying charge. This was notably true of wheat for later clearance for which active inquiry developed in the market from Germany. However, export offers of soft wheat under IWA were more attractive, which relates somewhat to the carrying charge situation in Chicago, and if we make heavy inroads on these supplies, it might require that Chicago finally become a spring wheat market.

Primary receipts of wheat amounted to 2,759,000 bu compared with 3,143,000 bu last week and 2,051,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 220,000 bu.

Trade on the whole was very dull. There was no particular feature but markets were mostly reactionary with new export business almost entirely lacking while flour business was rather dull and not much activity reported after a little better demand yesterday.

The overnight weather was fairly good although some of the rains in the Northwest were not needed. Showers have been quite general over the spring wheat belt and also extended to Nebraska, Iowa, Missouri and northern Illinois. It was mostly fair Southwest with high temperatures still in Texas but rather cool in the Canadian Provinces. The crop reports from the Northwest talked of a little too much rain in some sections, but, nevertheless, recent moisture appreciably helped crops since the rains started about two weeks ago. Some of the elevators are blocked

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

because of the box-car shortage and the Peavey Report stated that a considerable amount of grain was on the ground. There was a weaker undertone in corn and in

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

August 15, 1951

CHICAGO, 4

There was quite a little rain reported again overnight, and the heaviest downfall was in the northern sections of Illinois and Indiana, also parts of Iowa, but there were showers and thunderstorms, which were quite general over the Dakotas and Minnesota. The Southwest seemed mostly fair except that some precipitation is likely, but meanwhile temperatures have moderated while in Canada there is no immediate fear of frost. Most people have in mind that the long-range price outlook is for firming markets due to heavy impoundings in the Northwest as time goes on, but meanwhile demand is rather spasmodic although we have noted some improvement in export demand and a moderate volume was reported sold to The Netherlands, while Germany seems to be in the market now for several cargoes of wheat. We also heard that India in addition to taking a cargo of Pacific Coast wheat may be ready to buy 2 cargoes of red or soft wheat from the Atlantic Seaboard. More business might have been worked except for a Catholic holiday, and this limited inquiry from other directions.

We have been told by several authorities that transportation difficulties are besetting Canada. We do not know whether it is box cars alone or whether locomotive equipment is run down, but there is a continual reference to the probability that either through blockage at ports or failure of the railroads to carry all the grain from growing areas, exports from that country may not be much more than sufficient to take care of the IWA quota, although time alone will tell if a big crop is harvested how it may finally be handled.

There are some reports from Europe less optimistic in character, and it seems that heavy summer rains have struck a number of Continental countries, so that harvesting operations have come to a sudden stop, with temperatures also lower, and much wheat in Northwest Europe is lodged. Norway, Italy, Switzerland, Holland, France, and Great Britain had 2 to 3 inches of rain late last week with some flooding of rivers and lowlands, especially in Northern Italy. The worst rainstorm in fifty years struck most of Switzerland, according to Broomhall, all of which may take a little further toll of crops, which have already been reduced from last season. In the U.K. prospects are for a wheat crop some 15 million bu smaller than last year. We also reported recently that prospects in Italy were for reduced productions, while in France severe daily storms have made combining and harvesting a difficulty, but the weather now seems to be improving a little. Nevertheless, the crop may well be below the recent estimate, which was 256 million bu compared with 280 million a year ago. Rains also delayed operations in Germany although moisture in the Danubian Countries was beneficial and helped particularly the corn crop in the Danube Valley.

Broomhall tells us that moisture has fallen in the form of snow in Australia, which helped growing crops but acreages are not particularly large this year. Export sales have been stopped until next month. The new wheat crop is forecast at 171 million bu compared with 183 million the previous season.

Most of the state reports were on the optimistic side with respect to corn. In Illinois some improvement was noted in the past week and great benefits were claimed in Nebraska because of timely rains which fell during the week. They say that weather since August 8th has been ideal for pollination.

Primary receipts of wheat were alittle less than 2 million bu compared with 2.4 million last week and 1.6 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 415,000 bu.

Were it not for the wet weather harvesting would be much farther along in the spring wheat areas. Most all the crops are now ready to cut with the exception of durum wheat in northeast North Dakota and spring wheat North and West of Great Falls. There may have been some shrinkage in the crop in Montana since the first of the month, but this is probably offset by improved conditions in northeast North Dakota. Box cars are very scarce and this may become a factor as time goes on. Generally speaking where harvest has gotton off to a fair start, a good many elevators are full and some wheat is being piled on the ground.

With corn and soybeans becoming strong after mid-session, it had a sympathetic effect on other grains. Wheat recovered and closed somewhat higher even though milling business was rather dull. It is figured that Egypt may buy as much as 4 million bu during the next few days.

Not much is said about pastures and meadows but they are making abundant growth over large parts of the country and are in excellent condition. This, of course, refers to those sections of the country where we have had ample moisture.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 16, 1951

After the close of the market yesterday, the Canadian Dominion Government issued its agricultural report from Ottawa, and forecast a total wheat crop of 581 million bu compared with a ten-year average of only 386 million bu. If this crop is finally realized it will be the largest ever raised in Canada, and it shows what can be done even on a small acreage when weather is propitious and rains fall at the right time. The oat prospect for 497 million bu is considerably better than last year and compares with the ten-year average of 406 million bu. The barley crop of 250.7 compares with the average of only 167 million, while all rye at 19 3/4 million bu compares with an average of 12.8 million, also indicative of the high condition that has been maintained virtually since time of seeding.

In our country we suffered from the ravages of floods, early drought, and adverse weather but yet the second largest all-crop volume continues in prospect for 1951. It is true that there were important declines in our wheat, corn, barley, flaxseed, potato, and tobacco crops from early indications, but these were largely offset by the improvement in the prospect for hay, oats, rye, sugar beets, dry beans and peas. Also, a huge cotton crop is in prospect and an aggregate volume of all crops shows 34% higher than the 1923-32 average.

We on this continent fail to realize the abject poverty of the balance of the world because we live in comparative luxury. We do not know the pangs of hunger nor what it means to starve. Nevertheless, 9 persons out of every 20 in the world live in under-developed lands. This category adds up to more than a billion men, women, and children. They live mostly in Asia, Africa, the Middle East, and Latin America; their incomes average about 22¢ a day. In Southeast Asia incomes average only 8¢ a day, or about $30 a year. Their diets fall far below the minima needed for health and efficiency, and in the Far East half the average diet consists of rice. In many regions throughout that under-developed area people live only half as long on the average as people in the economically developed areas of the world. Actually in some places half the children die before they are seven years old. Hence, among more than a billion of the world's people misery is the common denominator. They are desperate for economic improvement. It is a source of great satisfaction, therefore, that we can feel that North America will have a big surplus this year in order to alleviate starvation and pain over a great part of the world, but we must not forget also that 6 persons out of 20 live in Communist-dominated lands; consequently, it leaves only 5 persons out of 20 who actually reside in economically developed countries outside the Communist circle. It is this small minority that constitutes the effective opposition to further Communist expansion.

Primary receipts of wheat were 2,545,000 bu compared with 2,309,000 bu last week and 3,281,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 579,000 bu.

Markets were rather firm during the forepart of the session and little attention was paid to the bearish implication of the Canadian report. Probably one reason for this is the serious transport problem in Canada because it is generally felt that a good many of the lake ships are going to be needed for hauling ore for Canada's defense program and will, therefore, be given priority. There are only about 450 cars available at the lakehead to take care of the congestion with elevators pretty well filled from last season because of grain accumulations that have occurred. The Canadian National Railway generally has 7,000 box cars in the country hauling grain in the fall but this season the situation is particularly bad and it will take great effort to move the bumper crop from farms to terminals. Some authorities are looking for a complete glut before the close of navigation. Of course, this situation could change but at the moment it is bad.

Denmark was reported asking for hard wheat and there were probably two cargoes of soft wheat sold to India, which at one time firmed the nearby future with relation to the distant months. Broomhall reported that fortnightly shipments of wheat and flour from Australia were 4.3 million bu, which leaves a surplus in that country of 69 million bu, as of August 2nd, compared with 89.2 million a year ago. The Board will make no further offerings until September hoping that by that time more will be known about prospective crops. There have already been commitments to ship 34.6 million bu from Australia under IWA quota in the 1951-52 season. Milling demand was rather slow and buyers appear to be holding off hoping for greater reactions when the spring wheat movement enlarges. There was some selling of September corn which likewise influenced the new crop deliveries. Beans were firm in sympathy with higher oil prices but yielded ground when the balance of the list weakened.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 17, 1951

Little attention has been directed to the tremendous crop production in Canada, and while moisture has had a great deal to do with the fine prospects, there are other factors which we should like to discuss at this time. According to the Searle Grain Company Limited, the good rains over the Prairie Provinces of the past week, particularly those in Manitoba and Saskatchewan, have improved the over-all moisture condition, which now stands at 94% of normal compared with 93% last week and only 85% at this time a year ago. However, the use of new varieties of seed has been reduced to almost an exact science, so that the plant breeder can fairly well produce a variety to fit almost any required condition. In that way there has been very little damage from rust or insects, although last season an early frost took a heavy toll that cut down the amount of grain that was fit for human consumption. Our friends tell us that some members of the Canadian Feed Growers Association, together with some farmers who have a talent in recognizing the best seed adaptable to certain soils, are able to give valuable advice and information to the professional plant breeder.

On the assumption that Canada will not have adverse weather during the next two weeks, and that early snows if they occur will not make it impossible to thresh the Canadian crop satisfactorily, we may now be prepared for a total wheat yield of 581 million bu for that country, which as we mentioned yesterday would be the highest figure ever attained. To that must be added the likely carryover of 223 million bu, which is about twice as much as the reserve stock a year ago, and would compare with 102.4 million bu two years ago and 77.7 million bu three years ago. In any case the combined supply of old and new wheat would give us a total of about 804 million bu. We admit that there may be a fair percentage of the old wheat that can be used only for feeding purposes. Nevertheless, it has to be accommodated either in elevators or on the farms, so that together with the tremendous crops of oats and barley, it poses another surplus situation, which that country has not faced in a good many years. The total yields of oats and barley may amount to 748 million bu compared with 592 million a year earlier, and it is not often that we have both a large wheat and feed crop raised in the same season, except when soil and moisture conditions are so perfect.

All this is having only a passing influence on our markets, although we note that further shipments of oats to the U. S. have been made, with 3 cargoes headed for Chicago from Ft. William, bringing a total of 866,000 bu. This will augment stocks already here, which have improved largely through imports, as movement from the country thus far has not been burdensome, and it is too early yet to expect much from the Northwest, although we may finally attract some of their oats to this market. As for wheat, it is difficult to import much in view of the 42¢ a bu import tariff, although wheat that can be used only for feeding purposes carries only an ad-valorem duty, so that larger amounts may still enter here if price differentials are in line.

According to Broomhall, there was rain this week in Buenos Aires and Santa Fe Provinces but very little in Cordoba, where drought is still serious. A general frost covered the grain belt on Wednesday night. It is rather discouraging that the corn acreages are not being increased in that country. In fact, they are so small that farmers are expected to plant only 6 million acres compared with 15 to 16 million acres in prewar time. On the other hand wheat and rye acreages have been pretty well maintained over the years.

Primary receipts of wheat were just less than 2 1/2 million bu compared with 3,175,000 bu last week and 1,643,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 756,000 bu. When the visible supply of wheat is posted on Monday, it will compare with an increase last year of about 3 million bu.

Trade was not particularly active but as the session advanced there was a better undertone and particularly with some strength in corn due to the fact that offerings from the country were not too heavy. The milling demand showed a slight pick-up, according to The Southwestern Miller, but new business was modest. Some of the bakers are apparently waiting for spring wheat to move in greater volume. The BAE calls attention to the fact that a prospective bean crop of 270 million bu is 6% below last year's record but is, nevertheless, 17% above the previous record of 231 million bu produced in 1949. Soybean stocks in all positions July 1st were the largest of record and amounted to 51.6 million bu compared with 46.1 million the

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements or fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

year earlier. Soybean crushers held record stocks of 33.4 million bu, which were about 5 million above the year before. Farm stocks were the largest since 1944 and [illegible] 9.6 million, which was somewhat greater than the year earlier.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

August 20, 1951

CHICAGO, 4

The Arms Program remains the key to business activity for the future and the tendency to increase production in that direction leads many to believe that trade will continue at a very high level. With this in mind and with 61 million people profitably employed, it is still a question as to how far setbacks in the securities market may go even with taxes continually being increased. At the same time the problem is also posed as to how far our inflation will extend, and whether we shall forever have higher parity for agricultural products, which in turn always increases living costs. Food and clothing are the biggest single items in the cost of living index, and with large crops that have been raised there is no substantial rise likely in these categories. And yet whenever prices become a little depressed, there are immediately murmurs that something should be done, and we have already heard certain Southern Senators and people in the cotton belt clamoring for a stockpile of cotton, which would be something new in the price support field. But in any case the government is being asked to do something, or to possibly buy up 3 million bales if early supplies are heavy enough on the market to cause further setbacks. The big question, of course, is how much money this would take, and how far the government would want to go in addition to granting loans to farmers, because there is no assurance that Congress would appropriate extra millions of dollars for this purpose

Late Friday the Canadian carryover reserves were published, and for wheat 186,432,000 bu was claimed to be in the reserve stock, which was a reduction from early estimates, but when taken in conjunction with the August 15th crop estimate of 581,678,000 bu, it gives Canada a total supply figure of 768 million bu, or about 190 million more than was on hand a year ago. If wheat were the only thing the government had to worry about, it would be a fairly simple matter, but there is likewise 93 million bu oats carried over from the previous season, which is more than twice as much as last year, also 52.7 million bu barley, more than 2 1/2 times as great a supply as we had in 1950, while the rye stock of 3.3 million compares with 6.4 million the year before. There is still, of course, the question of transportation in order to bring Canadian grain tot he seaboard, but apparently markets on Saturday were all cognizant of the big crops and lower prices were registered, not only in Winnipeg, but also in Minneapolis and Kansas City where receipts were quite heavy. There were more than 600 cars in the Southwest market, apparently a good part of it hedges, so that when we reopened this morning, our market was sympathetic to that news. The only possible offset was that Canadian temperatures were rather low, and there is at least a slight threat of frost in some of the lowlands by tomorrow. Of course, a frost coming August 21st would not be nearly as dangerous as the early one we had last season, but Canada still needs a week or two of growing weather before crops generally are out of danger.

In the meantime, there is some relief in Texas where the heat wave has persisted now for more than a month. Scorched central Texas was benefited by the rains and a fall in temperatures but it is generally felt that the drought will be pretty well broken in the next twenty-four hours. Rains were reported in Texas and Oklahoma but did not cover all areas, and the weather men declined to call the brief relief as a general break in the heat wave. For example, in the Dallas area the light showers cooled the city from a high reading of 105 degrees Fahrenheit to 87 degrees in two hours, but there is certain irreparable damage, and the State Agricultural Commissioner estimated crop loss at $250,000,000. The state's anticipated bumper cotton crop of 5 million bales has been reduced, and some believe maybe by a million bales, because of the prolonged heat wave.

Primary receipts of wheat totaled 4,397,000 bu vs 4,936,000 bu a week ago and 3,158,000 bu on the comparable day of last year. So far this week, Minneapolis and Kansas City stocks show a net increase of 1,272,000 bu. When the visible supply of wheat was posted it showed an increase of 3,349,000 bringing the total to 197,849,000 bu or 22,577,000 bu less than a year ago. Chicago stocks of wheat increased 705,000 bu bringing the total to approximately 10 million bu, while oats increased 2,261,000 bu bringing the total to 11 1/2 million bu and there is about 8 million bu in the Chicago stocks of corn.

Our markets opened lower in response to lower quotations in outside markets last Saturday. However, toward the latter part of the session wheat recovered and it actually finished higher than last Friday. The strength was due to some expected export business from Italy and also that some domestic flour business might develop overnight. Receipts of wheat in Kansas City are still running quite heavy with 821 cars reported while Minneapolis reported 506 cars.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 21, 1951

The Bureau of Agricultural Economics stated sometime ago that wheat supplies in prospect for 1951-52 would be sufficient to meet anticipated domestic and export requirements without significantly reducing the size of the carryover. Since that was stated crop losses have been sustained, and as presently reported it looks as though we would produce only 998 million bu, which would be a cut of 38 million bu from the season earlier. It also appears that our carryover reserve will be about 28 million bu smaller. So in both positions we have started the season with about 66 million bu less wheat on hand than we had July 1, 1950. In our opinion with the huge crop in Canada we may export 50 to 60 million bu less wheat than we did a year ago. So the overall picture is not much changed.

We recognize that European crops are less satisfactory now than they were a year ago, and the last official estimate of France is for a crop of nearly 256 million bu compared with 283 million bu. Likewise the outturn in Italy is smaller, with Britain producing about 15 million bu less wheat than she did a year ago, but in Germany total production of wheat and rye is not much changed, while there are some offsets in the Danubian countries, so that altogether world import requirements may not be so very much larger than they were last season. Actually it is figured that world production of wheat and rye in 1951 will be about the same as the large crop of 1950. No significant change is indicated for Europe as a whole, but a reduction in western Europe seems probable. As an offset the outlook in Eastern Europe is substantially above last year when poor crops had been harvested. The big factor, of course, is the increase in Canada, which would be even more important except for transportation difficulties. Later on, of course, we shall have the Southern Hemisphere to cope with. The acreage in Australia has been reduced although conditions on the standing areas are still very favorable. The same is not true with respect to Argentina because dry weather still prevails in the Province of Cordoba, and as a matter of fact cattle are being driven out of the dry sections as the situation is so serious. According to Broomhall the entire acreage for that country is expected to be less than the 16.2 million planted last year, and it will be well below prewar average of 18.5 million. Even if rain should fall in Cordoba it is too late for seeding. Strangely enough corn has not been badly damaged by the drought but the acreage has not been large in a good many years, and apparently farmers have not been given sufficient encouragement to plant heavier.

While total wheat stocks in the U.S. are bound to be ample for all purposes, there are a few other factors that require attention. One, of course, is the amount of grain that will be impounded under the loan, and another important consideration is the improvement of red wheat in relation to the past two or three years. Some of the exporters have engaged freight at the Atlantic Seaboard because of the poor crop results Southwest, and we find that comparatively better prices are being paid East than for a number of years, so that Chicago is not likely to be burdened by an overabundance of soft winter wheat. This in turn is apt to have quite a bearing on carrying charges. There is some talk that 3 to 4 million bu wheat may be delivered on September contracts, but yet there is no assurance that if this is the case wheat will remain in Chicago, and finally we may even become a spring wheat market, which would be quite a deviation from anything that has occurred in the last couple of years. Harvesting has been held up in the Northwest due to rains, while there have also been light but scattered showers in Canada with temperatures on the cool side. Some Saskatchewan stations report minima temperature of 34 degrees but we have not heard of any frosts nor are any being forecast for the next twenty-four hours.

Primary receipts of wheat were a little over 2 million bu compared with 2.7 million bu last week and 2.2 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 119,000 bu.

Markets were a little indifferent at the start. Milling trade had shown a slight improvement but there was no positive evidence that the export business to Italy had been put through. Nevertheless, there were hedges taken out of the pit although this may have been against Mexican business as there was a report that a million bu had been sold from the Gulf. The cash basis at Kansas City improved although spot wheat there had been very weak and with only 224 cars a good many people believe now that the big run is over. This seems reasonable to us in view of the small crops that have been raised. We have been inquiring of our friends in the Northwest how wagonload prices compare with the loan and in most cases the market is relatively 4¢ to 9¢ cheaper so there is still the possibility of heavy impoundings.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

On the higher protein wheat, however, a premium is paid so that sales may be made on the market. December corn was strong and gained ground on the nearby delivery.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 22, 1951

During the past two days there has been considerable improvement in the flour demand, and whenever this business occurs it naturally means covering of hedges, and in a rather quiet market it seems to have more effect than otherwise. In the final analysis it should not be too important for the reason that our domestic consumption of bread is rather constant, and domestic disappearance in the form of bread, flour, and cereals will probably account for about 507 million bu, which includes not only civilian demand at home, but also, for our various territories and military needs.

As far as seed is concerned, with the present acreage about 88 million bu will be utilized and the only item which is really higher than last year is the 160 million bu wheat that may be fed to animals, but actually that is hardly an increase over last season because of the fact that 40 million bu frost-damaged wheat will be imported from Canada and would not be fit for human consumption. So this extra amount simply displaces oats, corn, or some other feeds through normal operations. We made an error the other day in stating that the import tariff on wheat was 42¢ a bu. This law, as we understand it, still remains on the statute books, but there has been a wartime restriction limiting imports of wheat for human consumption to a quota of 800,000 bu. On this small quantity the duty is only 21¢ a bu, but any wheat beyond that figure cannot come in irrespective of price differential, so that even if importers were willing and able to pay a higher tariff they could not bring grain in from Canada beyond the small quota if it were to be used for food. Last season the amount of wheat fed to animals was estimated to be only 121 million bu, but, of course, at that time we were not importing any great amounts from Canada, and as just stated our domestic consumption is really not altered any by virtue of the fact that some low-grade Canadian wheat will probably be utilized this season; nor is it likely to diminish the amount of home-grown wheat that generally is used for livestock feed. The use of wheat for distilling spirits, alcohol, and malt beverages will remain relatively insignificant, so that the only factor still to be decided is the quantity that will go for export. We have mentioned on several occasions that Canada with its fine crop prospect should take some of the load off our shoulders and this may all become a little more apparent as time goes on. Temperatures have moderated in Canada, and there appears to be no immediate danger of frost.

The greatest handicap in doing a big Canadian export business is the bottleneck in the transportation setup. As one of our friends points out, this merely emphasizes the fact that government agencies, no matter how efficiently manned, still do not have the freedom of voice which is employed by private individuals operating on their own initiative. We have seen how enormous crops have moved out of Canada in other years, and generally speaking, the big crops up there were always welcome, because it signified prosperity not only for the farmer, but brought added revenue to the railroads and the steamship lines. Operating today under a strict control, with only rye and flax free from government regulations, the trade finds that wheat, oats, barley, and rye can only move as fast as the government through a cumbersome funnel is able to channel trade.

Even though Canada will have transportation problems, the task will not be as great as last year when so much of their wheat had to be carefully handled because of low quality and high moisture content but it is not likely that will have to be the case this year. Consequently, they seem to be reaching out for new fields of buyers with information today that Denmark, Belgium and Brazil are being offered wheat for September and October which had not been the case prior to this. Such competition is likely to be felt by our country and during the session when the new requests for Canadian offers were known some weakness developed in our futures. Earlier in the day, we continued strong from the large recent days' export sales to Mexico, Italy and Germany, and also, yesterday's large flour business.

Primary receipts of wheat were 1,157,000 bu, down from 1,967,000 bu last week and compared with 1,459,000 bu a year ago. Stocks in Kansas City and Minneapolis have not shown much change so far this week with a net increase of 158,000 bu.

There was relative easiness in nearby corn futures as compared with new crop and also the spot basis for cash corn was lower. Demand was not as good for current arrivals and some important buyers were temporarily out of the market. While the new crop prospects seem to be improving the western crop is still quite late and overall production is smaller than the current year's demand, and also, for

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

next year's potential uses. We will probably be the main exporter again during the coming season and domestic livestock numbers will again be increased.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 23, 1951

Late last night word came from Korea that the Reds had broken off the armistice talks, charging that Allied planes had bombed Kaesong. While the UN termed the accusation with respect to Allied bombing as a frame-up, it was no great surprise as the truce talks had been deadlocked for weeks, but there is still some chance that conversations will be resumed at a little later date. The stock market which opened half an hour before the grain and cotton markets showed very little change either way, thus indicating that there had not been too severe a shock because of Korean news, but yet when we opened prices were generally higher and there seemed to be very little pressure from any source.

Since the first of July exports of wheat and flour from the U. S. have amounted to 47 1/2 mil lion bu. This compares with 25 3/4 million bu a year ago, and is indicative of the good demand which has existed during this period, but a good many people are of the opinion that there will be a change as soon as Canadian wheat is available in any quantity. They were greatly handicapped last season owing to the fact that certain grades could not be offered, but if the frost, which sometimes occurs at the end of August or the first week in September, is held off for a few weeks yet, we expect quite a different picture, and Canada should gradually become much more competitive. We shipped about 7 1/2 million bu wheat during the past week, according to Broomhall, and since the start of the world crop season, August 1st, all countries have put afloat 48 million bu compared with 28 million last season, although the increase came mostly from the U. S., Canada having shipped only about 3 million more, Australia 2 million more, and Argentina a little less. We continue to do a rather good export business in corn, and since the 1st of November 88 million bu has been cleared, which was about the same as for the previous season.

On many occasions the government has talked of controlling acreages in order to bring supply and demand into proper balance. The fallacy of this theory has already been proved because with more intensive cultivation, better seed, and greater use of fertilizer, we are getting better yields per acre than ever before. As an example of how great the field is, we quote from the Department of Agriculture, which has just published a release on THE EFFECT OF FERTILIZER ON MIDWEST CROPS. It is pointed out that 40 pounds of nitrogen per acre would produce an additional 600 million bu corn, 200 million bu wheat, and 400 million bu oats. General use of 40 pounds of phosphoric acid an acre would boost soybean yields by 42 million bu. By doubling the current average application of phosphoric acid (8 pounds an acre)North Central growers could increase yields of corn by 120 million bu and of wheat by 30 million bu. In other words, if chemicals and fertilizers were sufficiently plentiful and farmers continued to get high prices, there is no telling how great the yields may be even on moderate acreages, and thus further experiments in this direction may prove to be a great boon to agriculture. Weather on the whole was satisfactory. It continues rather cool over the corn belt and rather warm over the Northwest states. A few showers are indicated for the spring wheat areas but generally clear for the corn belt except possibly showers in Iowa and Nebraska tonight. Temperatures in Canada do not suggest any immediate frost threat although the nights up there have been on the cool side.

Primary receipts of wheat were 2 million bu compared to 2 1/2 million bu last week and nearly 2 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 447,000 bu.

Markets were reasonably firm, although best prices of the day were not entirely maintained. There seemed to be a little better buying of the deferred wheat futures than the nearby with the result that carrying charges widened. Flour business was fairly good and both Minneapolis and Kansas City reported activity with hedges taken out of the pit.

Very likely war news attracted a little more inquiry but in the export field there seemed to be less business although a cargo of wheat was sold to Holland and we believe one also to Switzerland. The cash corn market in Chicago was slightly easier but this had no influence on the September delivery. The nights are still cool and there seems to be some buying on the theory that growth has been retarded and that we may, therefore, have to have a late frost if the crop is to come through without damage. September soybeans were weak in relation to more deferred months.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 24, 1951

Within a very short time harvesting of wheat will be general throughout the Canadian Prairie Provinces, and the Chief Commissioner of the Canadian Wheat Board has stated that many areas have bumper crops in prospect. All of this, of course, is based on the hope that there will be no frost during the remaining period in August, and if good weather prevails yields of all grains would probably be well above average. If favorable harvesting weather occurs, the 1951 grain crops will be harvested somewhat earlier than last year, which in turn means an earlier start for the shipping program. This, of course, would be most helpful in the period between now and close of navigation on the Great Lakes. There are still a great many transportation problems, and it may not be easy for Canada to ship as much as she should considering the added yields, but time alone will tell how much business can be transacted under these handicaps.

In the meantime, our government is planning its export program just as though nothing had occurred in Canada to give us the added surplus, and late yesterday allocations were announced for October, November, and December. The October program includes 1,275,000 long tons, or about 47.6 million bu bread grain, virtually all wheat. Nearly 18 million bu coarse grains are scheduled for shipment with smalle quantities to be cleared during November and December. While these quantities are tremendous they consti tute a big increase over last season, and it should also be pointed out that there has been some cut in the planned program for September. So it is quite obvious that if the Agricultural Department has been too optimistic, later adjustments will have to be made. The largest customer for grain in October will be India and that country is likely to take 400,000 tons. The business, of course, was possible from here rather than from other surplus nations because it will be financed under the India Emergency Act that was specifically voted by the Congress.

All this news had very little influence early this morning possibly for the reason that the Reds hinted that a Korean truce talk might still be resumed but the issue is quite confused, and we are still blamed for having bombed Kaesong. However, at the same time a Chinese radio report expressed a desire that the armistice negotiations would proceed smoothly and that a just and reasonable agreement acceptable to both sides might be reached. There was a little wheat taken out of the pit, probably against flour business, but as generally happens after two or three days of improvement, there seems to be a pause and possibly we shall have indifference on part of flour buyers for the next few weeks.

Broomhall tells us today that the estimates of ten European countries indicate a wheat yield of 880.5 million bu compared with 937 million last year, a drop of about 6%. This does not throw too much light on the subject because we do not know what ten countries are represented except those for which statistics have been made available. However, the quantity would indicate that the big producing areas like Franc Germany, and Italy have probably been taken into the reckoning. It would also seem to us that while 57 million bu less wheat has been raised in these countries, they would not necessarily import the same added quantity as they were deficient, but in any case we feel that European import requirements will be heavy, and with that in mind we cannot become very bearish on the market.

Northwest receipts have not become large as yet although Duluth with 202 cars had nearly the same quantity of wheat in today as last year, although Minneapolis was somewhat smaller with only 285 cars received. The five-day forecast is fairly optimistic with respect to northwest weather, and the same is now true over the corn belt where somewhat higher than normal temperatures are expected, and this may bring better growing weather after a period of low temperatures with cool nights. Oats keep coming to this country from Canada; another steamer with 435,000 bu left Ft. William and is headed for Chicago.

Primary wheat receipts werca little over 2 million bu, about the same as last year and compared with nearly 2 1/2 million bu last week. Kansas City and Minneapolis stocks so far this week show a total increase of 839,000 bu. When the visible supply is posted on Monday, it will compare with an increase last year of 1 1/2 million bu.

Markets were extremely dull today. Milling trade slowed up after a week of big business and there was not much reported for export. Higher temperatures over the corn belt were regarded as more favorable and the yellow cereal also showed a little weaker tendency but there was no extreme weakness in the market. Kansa City cars of wheat were a little more liberal at nearly 300 but the cash markets seem to be generally firm.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 27, 1951

August has been a very peculiar month with respect to weather. We doubt whether Chicago temperatures at any time have been above 85 degrees Fahrenheit, and generally speaking it has been on the cool side. This is true also of the Northwest and showers since last Friday have been more or less general. The same is the case with respect to grain belt areas, including the Canadian Provinces. No frosts have been reported in Canada over the week-end except at White Court in the Peace River area, but on the other hand harvesting operations have been further delayed in our Northwest. This may result in the harvesting of a considerable amount of tough wheat. Should that be the case it might alter the amount of grain that finally goes into the loan, particularly if not enough good wheat could qualify. Possibly this was the reason for lower markets in Minneapolis on Saturday, although we paid very little attention to it this morning, and opened practically unchanged.

There is nothing new in the Korean news. For the time being at least a stalemate is indicated, although many well posted people still hope that a deal will eventually be worked out because meanwhile the Communists are getting hurt by our constant air attacks, and reports indicate that gradually they are being chewed up while they cannot hit back at any strategic spot that would do us a great deal of damage. The Communists continue to talk threateningly and may hope to make an impression, but our military leaders are not much impressed, and thus the whole thing drags out without either side accomplishing much.

Reports from Europe, according to Broomhall, are a little more optimistic, although weather on the Continent has not been particularly good, and they, too, have suffered in many places from excessive moisture. However, estimates for Western Germany are now being received, and a bread-grain harvest of around 5.8 million tons is indicated compared with 5.6 million last year, while the combined oats and barley may approximate 5 million tons compared with 4.4 million in 1950. This still means that rather large imports may be needed. India currently is getting quite a quantity of food from surplus nations, but they are continuing irrigation projects, which it is hoped may increase domestic production of food by some 4.3 million tons during the next ten years. India is hopeful of importing 5.3 million tons food during the calendar year, and thus plans to have a reserve food stock at the start of the 1952 season of about 2 million tons. They have undertaken 143 major river projects in various parts of the country for the proper development of irrigation and similar needs.

Grain stocks in the four principal exporting countries on July 1, 1951, were considerably above average for the third consecutive year. Total stocks of wheat, rye, barley, oats, and corn are about 75 million short tons, which was slightly better than the 73.6 million tons on hand for the past two years. Current stocks are about 40% above the 1945-49 average, and more than 70% above the small stocks held in 1948.

The oats which have been imported from Canada and brought to Chicago are in rather poor demand, because practically the entire East is also using Canadian oats, which figure much cheaper than those which might be shipped from here, and also in some cases are better in quality. Of course, a domestic feeding demand might develop in the South or Southeast where they have had a good deal of dry weather recently, but with navigation open until December there is still the possibility that with a favorable spreading difference between Winnipeg and Chicago we may have to absorb a good many more Canadian oats which the cereal companies apparently do not find too attractive for their purposes. For that reason some are paying 3 and 4¢ premium for American oats in the Northwest, which accounts for the high relative price at Minneapolis compared to Chicago.

When the visible was posted there was an increase of 4.2 million bu wheat, the total now being 202 million bu compared with 222 million last year. Chicago stocks changed very little, and are still slightly over 10 million bu. The corn visible decreased slightly, with 29.6 million bu left in all positions compared with 38 million bu last year. Oats increased 1 1/2 million to a total of 22 million, of which about half is here in Chicago.

Markets were firm early, but with 980 cars of wheat in Minneapolis that market was weak, and we finally yielded some ground. There was no concentrated selling, but flour business over the week-end was small. In corn there was some export business which took hedges out of the pit, but later on the yellow cereal declined in sympathy with other grains.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 28, 1951.

There was very little news overnight except that Italy was reported as a purchaser of 4 cargoes of hard winter wheat at the Gulf with possibly another cargo to be bought. Shipment was for October, but nevertheless, it required hedges to be taken out of the pit, and this gave us a rather firm opening. There still seems to be an unsettled weather condition and scattered showers are looked for over most of the grain belt except possibly the Southwest. This is not particularly good for the harvesting of spring wheat, but receipts in the Northwest continue to be fairly large, and apparently there are some districts where harvesting operations were possible, but at this season of the year a period of clear weather would be very desirable. There were also heavy clouds over large portions of Alberta and Saskatchewan last night. This probably averted frost but temperatures were well below normal, and in the Peace River Valley some light snow fell, and the same in central and southern Alberta, so that we may have some losses due to adverse weather. The frost danger is expected to last for another few days, but it is getting rather late now, and the main thing is that we have the proper weather so that crops may be gathered safely before the heavy snows set in.

Broomhall reports that the Chairman of the Australian Wheat Board has predicted that the wheat crop in that country, which will be harvested in November and December, may not be over 150 million bu, which would compare with 183.4 million bu last year, and it was further regarded possible that the Commonwealth might be unable to implement its quota under IWA. As a partial reason for the decline in production is the smaller acreage and unfavorable conditions at seeding time may have been responsible for this situation. Of course, the crop is still a long way from being made so that estimates at this time are only tentative at best.

In most markets the September wheat deliveries have been losing ground in relation to the deferred months, probably the widest carrying charge occurring at Minneapolis. Ordinarily with the big discount of their wheat under Chicago there would be some shipments made to our market, but this year due to shortage of lake boats we have not heard of any business in that direction. As a matter of fact the ore boats are all tying up traffic to an extent where even if ships were available the freight rate would be very high, amounting to about 9¢ a bu. Before the season ends we may find that Chicago will be a spring wheat market as the red wheat is in much better demand than for the past several years, and there is not the pressure East of here such as we experienced a year ago. However, longs seem to be liquidating the nearby delivery and we had some widening today between September and December, although we have not heard of any large tenders in prospect.

Shortly after our market opened corn became quite strong on local buying and this was in response to a newspaper article which spoke of fungus growth in seed corn in a few counties in Illinois. Generally speaking, however, there have not been many complaints and a good many of the experts believe that when the government crop figures are issued in September, there will be a fairly large increase in the crop estimate, despite fairly cool nights, which were quite general earlier in the month.

Primary receipts of wheat were slightly over 2 1/2 million bu compared with about 2 million bu lastweek and 1.8 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 19,000 bu.

Markets were not particularly active, but there was September liquidation of wheat which at times had a pessimistic influence on later months. We saw only moderate evidence of elevators changing hedges over, which leads us to believe that there may be some tenders made next Friday. In the Northwest, farmers are becoming a little more uneasy because of the wet weather. We are told that some of them are not waiting long enough for the grain to properly dry in fields, and this undoubtedly will create more tough wheat than otherwise. Unless we have some improvement it is likely that there may be more than the normal amount of grain ineligible for the loan.

Flour business was rather slow Southwest, but a little better in the spring wheat areas. On further investigation the fungus growth in corn which had been reported around Champaign, Illinois, was not regarded as too serious, nor widespread. The disease is prevalent more often when there is excessive moisture, but some of our down-state friends who have extensive connections have not even heard anything about it.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

Best prices were not maintained, although we did not find evidence of the aggressive selling in corn which had been popular a few weeks ago.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 29, 1951

There was no special news overnight, but indications are that quite sizeable quantities of wheat will be delivered in Chicago and in Minneapolis on September contracts unless there is a further widening of carrying charges. Naturally, if elevators are able to change their hedges advantageously, the amounts may be smaller, but possibly as much as 4 million bu wheat might be tendered in our market. There is an old saying that nothing succeeds like deliveries, because ordinarily when elevator houses put out grain it is indicative of a somewhat indifferent demand, although we appreciate that this situation may change. Certainly the red wheat in Ohio and East of our market in general is in much better favor than it was a year ago at this time. There is still the threat that we may have to take some spring wheat from the Northwest, and much will depend on the availability of boats, also on the quantity of wheat which is finally impounded in the spring wheat areas. When the September future became weak it naturally influenced the balance of the market, and at the moment there is no speculative enthusiasm, although many people still believe that if we continue to push exports on a rather heavy scale, and if large quantities of wheat go into the loan, there could be artificial markets later on.

In the four months' period ended July 1st farm land values in this country rose 5% which brings the U. S. index to 202 compared with 100 in the 1912-14 era. Although this 5% increase from March to July was the largest for that period since similar estimates were started in 1942, the gains in more than half the states were less than those which occurred from November 1950 to March 1951. In any case it shows that with high loans, support levels, etc., the inflationary spiral continues, and there is still a demand for equities in this country, particularly with the farmer still one of the favored men.

Broomhall's foreign crop summary this morning was not too favorable as there seems to have been a considerable amount of wet weather in Europe, which further delayed harvest in western sections, but no material reduction in yields is anticipated, although the quality may be impaired. It continued wet in the U. K. and the preliminary forecast is for a wheat crop of under 80 million bu compared with 94 million bu last year. The Italian wheat outturn will also be less than a year ago, while the French crop is irregular, and recent figures have shown reductions due to adverse conditions, so that on the whole European import requirements are apt to be very large. Of course, if the Canadian crop comes through they might easily furnish 300 million bu for export against about 245 million bu shipped last season, and we understand that up to date no important frost damage has occurred in Canada. There are a few isolated spots which had low temperatures, but if nothing serious would develop by Wednesday of next week one expert believes that the crop will be out of danger and would be safe as far as bushels are concerned.

Primary receipts of wheat were smaller and amounted to only 1,324,000 bu compared with 1,157,000 bu last week and 1,425,000 bu last year. Kansas City and Minneapolis stocks show a net increase of 30,000 bu.

Trade was not particularly active but markets were lower with liquidation in the September futures, and the difference at Minneapolis widened even more than here. General milling trade was dull and there was not much evidence of hedges being covered. However, flour prices, according to the Southwestern Miller, are not far from a level where considerable long-time booking may be done. Little attention was paid to the fungus infection that had been previously reported in corn, and markets declined although there was no heavy pressure.

There was a cargo of oats loaded a few days ago from Ft. William destined for Chicago carrying 324,000 bu. This situation is creating a reather bearish feeling here because of the fact that the quality of oats is not such that there is a ready demand.

Beans were also lower in sympathy with oil that declined and on the whole there seemed to be few bullish ineentives for the time being, although with high support levels nobody is taking a very aggressive position on the short side of the market.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 30, 1951

After the close of the market yesterday, new parity prices were announced by the Bureau of Agricultural Economics, and there was no change from the month before, with wheat still figured at $2.41 a bu, corn $1.75, and oats 98¢. This means there is a temporary pause in the inflationary spiral but, for example, when we compare wheat with the base period when the price was 88¢, it shows how far we have already gone in this direction. The pamphlet explaining the methods of parity computation and related subjects fills 34 pages, and we doubt whether one person in 10,000 could read this voluminous data and have any conception of what it really embraces. Millions of dollars are spent and, of course, the prime purpose is to afford balanced purchasing power to the farmer if the goods and services he buys advance in price. However, it works both ways because when cost of living advances, wages and prices of manufactured articles advance; so it seems to be only a one-way street, and apparently we are living in a "Fool's Paradise." Those people who live on more or less fixed incomes, either in the form of pension or endowment, have found that their purchasing power has declined so much that they are suffering while other groups are being protected. Thus the whole parity system is discriminatory plus the fact that it is contributing to the evils of higher and higher prices that have become such a great hardship to a large portion of our population. Whenever prices of agricultural products recede even to a small degree, great protests arise, and here recently there has been a clamor for the government to stockpile cotton in order to prevent further recessions in the price level.

The Secretary of Agriculture, Mr. Charles F. Brannan, announced yesterday that the price of wheat produced in 1952 would be supported at a national average of not less than $2.17 a bu. This is 90% of the parity price of $2.41. According to the "Forward Pricing" provisions of the Agricultural Act of 1949, such procedure is made possible. However, if wheat parity on July 1, 1952, the beginning of the next marketing year, is higher, the support level will be increased in order to reflect the full 90% of wheat parity price at that time, but in no event can it be lower than $2.17 national average just announced. A wheat production goal of 78,850,000 acres is sought in order to assure ample supplies both at home and for export to friendly countries abroad. It is felt that high prices are necessary to keep us on the abundant side of the equation in order to play safe during the mobilization period. On an acreage of this size 1,165 million bu wheat would be average expectancy compared with a crop of only 998 million bu just harvested.

During the past week wheat and flour exports were nearly 8 million bu, which brings the total to 55 1/2 million bu since July 1st, and this compares with only 31 million bu a year ago. Our rye exports since the beginning of the season have been about 1/2 million bu, or the same as last year, while minor quantities of oats have been handled, but nothing of consequence. Soybean exports since November 1st have been 27 million bu compared with 11 million bu last season.

Primary receipts of wheat were 2.3 million bu against a little over 2 million bu last week, and 1.7 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 234,000 bu.

There was very little feature to the market and fluctuations were extremely narrow. Soybeans were stronger, but there still seemed to be some liquidation in the September wheat contracts here and in outside markets, while milling and export demand were rather slow. Some reports continue to be circulating about the fungus growth in corn, but how widespread this disease is, or how much damage, if any, will be sustained depends somewhat on weather. Naturally heavy rains and high humidity would be unfavorable, but it is generally believed that up to the present time no great injury to the plant has occurred.

We are still having wet weather in our Northwest and in Canada, which, of course, delays harvesting operations. There were rainsagain in western Minnesota, over the Dakotas, and western Montana. This may create more high moisture wheat than otherwise, and it may also affect quality, so that this is a factor that may have to be watched. If there is a large percentage of tough wheat which will not qualify for the loan, we may have a bigger percentage coming on the free market, and altogether the impoundings may not be nearly as heavy as we had figured early in the season.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 August 31, 1951

Both House and Senate have been discussing for many months increases in taxes to meet budgetary requirements, but details even now may not be known until late September or early October when Senate-House Conferees work out a compromise. Much of the money, of course, that is now being spent is necessary for the war effort and for our preparedness program, but the sad part of the story is that neither the present administration nor any administration is sufficiently economy-minded to cut down materially on non-defense efforts. Unfortunately, it is too easy to spend and to obtain votes but too difficult to curtail spending in order to bring about a proper balance to avoid further inflationary tendencies. The only way we can bring a halt to unnecessary spending is for the people themselves to stop it. The only means of curbing federal spending is through the elimination of waste and subsidies. In order to provide the proper controls we must finally have a ceiling on federal spending and taxation. All this is in line with the American tradition and already sixteen states have placed limitations on the taxing power of sovereign states. The federal government alone has no tax limitation. A few weeks ago Utah became the 25th state to adopt a resolution sponsored by the American Taxpayers Association to repeal the 16th Amendment and limit taxing power of the federal government to a maximum of 25% on income, gifts, and inheritances. Only seven more states are needed to bring about this relief to the American people. Never before in history has such a demand sprung up directly from the states.

When our market opened this morning prices were somewhat lower, and wheat in particular was influenced by rather heavy deliveries, not only in Chicago, but also in Kansas City and Minneapolis. Apparently the demand is insufficient at this time to create an inverse carrying charge position, and, indeed, we have just the reverse with fairly good carrying charges established in Minneapolis and Kansas City, so that forgetting interest charges, elevators can practically carry their grain to obtain storage and insurance. This is somewhat of a handicap to those who believe in the constructive side of the market because to change over to the deferred months at a higher price they do so at a level which is not too far from the loan. It is also a question now as to how much wheat will be impounded, and particularly so in the Northwest where rains may have caused a larger percentage of tough wheat which may not be eligible for the government loan. Therefore, more may come on the free market although we admit it is a little early yet to forecast this until we know more about the weather during the next ten days. There is some possibility that clearing conditions will set in for the spring wheat states late tonight although the five-day forecast is still somewhat unsettled, and there may be as much as half an inch of rain over certain distr icts.

India bought two cargoes of wheat overnight, shipment from the Pacific Coast. This makes four cargoes from the West Coast during the past week. Broomhall said that his South American correspondent had cabled favorably on weather, beneficial rains having fallen in the Argentine, including Buenos Aires, Santa Fe, and Cordoba Provinces. Some of these were missed by previous rainfall during the past month. The over-all moisture situation is now fairly satisfactory although many areas still lack reserve moisture, which will necessitate fairly frequent rains in the approaching growing season.

Primary receipts of wheat were 2,202,000 bu. This was a little more than last week and compared with 1,752,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 139,000 bu. When the visible supply of wheat is posted on Tuesday it will compare with an increase last year of 1,143,000 bu.

Trade was a little bit better and shortly after mid-session there was a report that one of the large bakers had bought a big quantity of flour. This took hedges out of the pit, not only here but in other markets as well, and there was a substantial rally. The carrying-charges in the various markets widened to some extent and elevator interests seemed not too aggressive in changing over. Wheat deliveries here in Chicago, which appear to be between 2 and 2 1/2 million bu, went into the hands of parties who might move wheat to the seaboard for export but on the other hand foreign demand at the moment seems to be rather dull.

There was still quite a little rain reported over our Northwest, which makes us feel that there is going to be enough tough wheat so that impoundings may not be heavy, and if this is the case there may be heavier movement to market a little later on.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Sept. 4, 1951.

Miunneapolis was the only grain exchange open last Saturday, and apparently there was quite a large volume of flour business, which meant removal of hedges, so that prices up there were about 2¢ a bu higher. There was also an unsettled weather condition which meant encouragement to those who felt that possibly the final crop estimates might be reduced from the previous figures. While thundershowers occurred again over the weekend, rains were not general, and we note this morning that 1,580 cars wheat were received at Minneapolis which was a big volume, and as a result traders' views were tempered a little, although wheat opened higher. Possibly some of the strength may have been due to the heavier fighting in Korea and the possibility that the armistice negotiations might be further delayed.

The Department of Agriculture gave the July grain exports, which are estimated at 44 million bu, of which nearly 26 million comprised wheat, flour and macaroni, and over 18 million coarse grains. These, of course, are sizeable shipments and compare with less than 20 million bu wheat and products shipped a year ago and only 13.6 million bu other grains. Our government is apparently trying to avail itself of the market until such time as Canadian competition becomes heavier, and actually 55% of the total grains cleared went to ECA countries where the question of money apparently is of minor importance; 21% of our shipments were destined to Brazil, Canada, Egypt, India, Israel, Mexico and Yugoslavia, while 13% went to the U.S. Pacific occupied areas, and only 11% to a miscellaneous group of other countries. There was nearly 5 million bu wheat sent to India and about 1.3 million bu grain sorghums. We presume that a good part of that wheat may come out of government stocks, and, therefore, if this continues grain will not have to be bought in the open market. The Department has advertised that during September there will be 5 million bu wheat for sale from CCC stocks, but this is available only at a high price, and for example based on Chicago delivery would be $2.66 a bu, or $2.61 at Kansas City for one hard winter. These prices are so much higher than the prevailing market that we doubt whether any business will be done.

Weather in Canada was still unsettled and rather heavy rains were reported during the past 72 hours, mostly in Saskatchewan, but the balance of the territory was more favorable, and in fact, they had a fine, sunny day yesterday, and chances are that only a few scattered showers will occur, so that possibly harvesting in that country will be possible.

Argentine weekly shipments of wheat were down to a little over a million bu, the total for the season being 77 million, or just a little less than last year. Black Sea exports from Russia were 1.3 million wheat to Egypt and 475,000 bu barley to the U.K. Since August 1st all grains exported totaled about 7 million bu compared with less than a million bu for thesame period last year.

The USDA pointed out that in most years prices of soybeans are low during the harvest months and a little later prices move up considerably. This pattern has been followed pretty well since 1928 or earlier except in thewar years and during periods of price controls, although, of course, there are other exceptions. They say that usually growers sell their crop at harvest and fall sales help to depress prices. It is stated that storage charges for nine months, including shrinkage, are less than 7% of the price at harvest, whereas the price advance from harvest to the spring months averaged over 20% during the four postwar crop years. This may have the tendency to keep beans back in the country, or at least may postpone the period of marketing in order to try for higher prices.

When the visible supply of wheat was posted there was an increase of 798,000 bu, total stocks in various positions amount to 202.8 million bu compared with 223 million bu last year. Corn showed an increase of 508,000 bu, and total stocks are 30 million bu against 38 million bu a year ago. Oat stocks increased 2.1 million, still some imports showing up, and in all positions we have 24 1/2 million bu compared with 16 1/4 million bu the previous year. Chicago wheat stocks decreased 164,000 bu, still leaving 10 million bu in this market. Locally corn increased 337,000 bu, with nearly 8 1/2 million bu here. Oats increased 375,000 bu, with nearly 12 million bu in Chicago. Rye increased 478,000 bu, building the local stocks to 2.2 million bu, while in beans there was a small decrease, but there is only 319,000 bu left here.

Markets were all very firm, particularly corn, and the cornweather

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

continued cool. There was some buying of September wheat at times. The open interest is still quite large at 7.6 million bu. Apparently a large percentage of the tenders went to a commission house, and it remains to be seen [illegible] will be shipped from Chicago or retendered.

[illegible] month, was the only grain exchange open that day. [illegible]
[illegible] with a large volume of floor business [illegible]
[illegible] prices up there were about 2d. on [illegible]
[illegible] weather condition which means [illegible] to [illegible]
[illegible] the final crop estimates might be [illegible]
[illegible] showers occurred again over the week-end, [illegible]
[illegible] this morning [illegible] which [illegible]
[illegible] and as a result trading [illegible]
[illegible] higher. Possibly some of the [illegible]
[illegible] by Soyuz and the possibility that the [illegible]
[illegible] be interpreted.

The Department of Agriculture gave the [illegible]
[illegible] at 44 million bu., of which [illegible]
[illegible] aforesaid, and over 18 million [illegible]
[illegible] and compare with [illegible]
[illegible] ago and only 14.5 million [illegible]
[illegible] to avoid [illegible]
[illegible]

[illegible] the question of [illegible]
[illegible] were destined to [illegible]
[illegible] Japan, which [illegible] to the [illegible]
[illegible] consumption group of other countries [illegible]
[illegible] to India and about [illegible] million [illegible]
[illegible] of that whole [illegible]
[illegible] in a [illegible] will not have to be bought in the [illegible]
[illegible]

[illegible] stocks, but there is admittedly only [illegible]
[illegible] delivery would be [illegible]
[illegible] The [illegible] price [illegible]
[illegible] will be [illegible]

Weather in Canada was still [illegible]
[illegible] the past 24 hours [illegible]
[illegible] showers are that only a few [illegible] will occur, so that [illegible]
[illegible] in the country will be possible.

[illegible] for the season [illegible]
[illegible] exports from Canada were [illegible] million [illegible]
[illegible] to the U.K. [illegible] about last [illegible] exported [illegible]
[illegible] compared with less than [illegible] million [illegible] for [illegible]

The USDA [illegible] estimated [illegible] years per cent [illegible]
[illegible]

[illegible] during periods of price [illegible] of [illegible]
[illegible] say that usually growers sell their crop at harvest and [illegible]
[illegible] prices. It is stated that [illegible]
are less than 7% of the [illegible] where [illegible]
[illegible] to the [illegible]
This may [illegible]
[illegible] the position [illegible] marketing [illegible]
[illegible] the middle [illegible] of which [illegible]
[illegible] 000 qr. [illegible] in various [illegible]
[illegible] million [illegible] Corn shortage [illegible]
[illegible] are 60 million [illegible]
[illegible] million, at [illegible] ports [illegible]
[illegible] compared with 10 1/4 [illegible]
[illegible] 000 [illegible] in the [illegible]
[illegible] compared [illegible] only 8 1/2 [illegible]
[illegible] 2 million [illegible]
[illegible] only 8[illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Sept. 5, 1951.

The 1951 corn crop will be supported again by a 90% of parity loan to be computed on the October 1st basis. The current indications are that this will be about 10¢ a bu above the 1950 support price, or for Illinois points possibly an average of about $1.56 a bu. This, together with the reduction shown today in one of the private reports indicating a yield of only 3,183 million bu, has put the trade in a somewhat bullish frame of mind, particularly with the large number of animals that are on feed and the possibility that we will again cut into our reserves during the next twelve months. Even now the situation would not be particularly bullish except for the fact that about 1/2 billion bu corn is tied up in one way or another under government programs. Thus, the balance of about 235 million bu is apparently not enough to create much pressure, although it is practically as much as we used to carry over in normal times before there were artificial factors surrounding the market.

As far as wheat is concerned, the Galvin report showed total production of about 1,016 million bu, which was about 18 million more than indicated by the government report last month. If a crop of this size is realized it would be the eighth successive one that has been over the billion-bushel mark, although in 1947 and 1948 yields were quite a little larger, but at that time carryover reserves were not as great as at present; so the total supply would not vary a great deal from that period. The largest total supply that this country ever had was in 1942 when crop and carryover amounted to 1,601 million bu. Of course, that was during the war and it was practically impossible to export much grain so that we had a reserve stock of 630 million bu. At the present time there seems to be no particular difficulty in shipping large quantities abroad for the reason that about 55% of the grains go to ECA countries, and as we have mentioned before the question of payment is not the prime consideration. However, July exports of wheat and flour which were given yesterday at 26 million bu are not particularly heavy because even if they were continued for the balance of the season at the same rate, it would only give us a total of 312 million bu. Ordinarily the best three months for exports are July, August, and September, although some may argue that last season we did the bulk of our business during the last six months of the crop-year. We find the situation different at the present time as Canada seems to be coming through with a big crop, and we had word this morning from a reliable source that the Canadian Wheat Board seems to be disposed to sell more wheat either within or outside IWA in an effort to make room.

Broomhall's Foreign Crop Summary this morning was not too favorable as there continues to be quite a little rain over some of the harvesting areas. Some damage to late crops is reported but no serious losses are expected. However, the quality may be lowered and in the U. K. unsettled weather still persists. In France there have been severe thunderstorms which have interfered with harvesting, and late crops were damaged. Trade sources seem to believe that France may have a total outturn of 276 million bu compared with the earlier government estimate of 255 million bu vs last year's final yield of 282 million bu. There has been no attempt made to calculate how much of the wheat would be of lower quality if there is a prolonged wet spell.

In our own country scattered showers are indicated tonight and tomorrow for the corn belt but not much precipitation in the spring wheat areas nor for Canada, and in the meantime frosts have not been serious in the latter country so that a good crop is still expected.

Primary receipts of wheat were a little over 2 million bu today compared with2.3 million bu last week, and only 761,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 233,000 bu.

Weather in the Southwest caused concern again. There were heavy rains in parts of Kansas, anywhere from 2 to 5 inches at a number of stations, and we understand that the packing houses in Kansas City were moving out, as they expected floods in that region again. Concern was mostly over the Argentine district, and an embargo was placed on shipments of livestock to that market until further notice. After some firmness in the market there were recessions, but declines did not extend far as there is no appreciable pressure.

The past week has been a rather wet one in the Northwest, and farmers are getting very worried, and will probably harvest just as soon as they can get back on the land. A good deal of tough wheat will probably not qualify for the loan, but there is even greater worry that there may be a loss in bushels because of the adverse conditions. Corn was very strong.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 6, 1951

There was very little overnight news except that weather generally had improved, and the heavy rains that were expected in the Kansas-Missouri district failed to materialize, so that the flood menace had apparently lessened. The Kaw River engineers revised their ideas from a crest of 31 feet to 29; so apparently with no more rain in that area the severe damage which was sustained the last time will probably not be repeated. Many precautions have been taken and we understand that some of the machinery in Kansas City elevators was moved out, but as of the present writing conditions in general look considerably better. There are still a number of elevators in the Kansas City market that have not been restored to usefulness, and we believe that some of the wheat taken on September delivery by a mill probably reflects that situation, so that operations may continue at a time when they are unable to draw supplies from their own plant.

There was also a better forecast for our Northwest and no frost indicated for Canada; so with the season getting late now it looks as though Canadian wheat were pretty safe but the great difficulty in both areas is that there has been so much wet weather that harvesting operations were held up beyond the usual fall period. It was reported that the Canadian Wheat Board had sold 15 million millable wheat to India. This will be shipped over a long period of time mostly from Pacific Coast ports. Canada recently has been looking for outlets in order to avoid congestion because of the big crops, not only of wheat, but also of oats and barley that have been raised this season. Australian wheat and flour shipments for the fortnight ending August 16th were nearly 7 million bu, which brings the total since January 1st to 85 3/4 million compared with 69 1/2 million last year. There is still remaining for export and carryover 62 million bu vs. 84 1/2 million last season and 65 1/2 million two years ago.

Despite wet weather in the Northwest we find that carlot receipts of wheat are picking up a little. There were 396 cars in Minneapolis against 244 last year, while Duluth reported 382 cars received vs. 167 last year. There is still some pessimism expressed by interests in the Northwest that it may be difficult to harvest as much grain as has recently been estimated either by the government or by the private experts, and the main concern is that a great deal of grain in some of the wet areas is in the swath and may, therefore, be subject to considerable damage. In a few isolated districts where the level land may not become dry enough to hold up machinery, it is feared that farmers may not be able to get back on the land until it freezes. For that reason it is possible that not only a considerable reduction in quality may occur, but also some rather large losses in bushels for those particular districts. There is also some trouble in the rolling countries where grains had been knocked down and weeds are growing, and it may create a bad harvest problem at best. Nobody is willing to judge how serious these losses may be but a period of improved weather now would certainly be more than welcome.

Primary receipts of wheat were 2,114,000 bu compared with 2,341,000 bu last week and 2,014,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 307,000 bu.

Markets were rather active. There was some weakness after the opening but this was shortlived and later on when corn firmed up there seemed to be short-covering in the leading cereal together with some probable milling business that took hedges out of the pit. The September delivery was the strongest of all futures and apparently most of the tenders so far have gone to one party, but nobody knows yet whether this wheat will be ordered out of the market or possibly held for a time In any case, there is still a fairly large open interest and when shorts tried to cover they had some difficulty except as the spread narrowed.

Corn is getting close to the price of the probable loan but there seems to be a rather friendly sentiment because we have had lots of cool weather and many cool nights.

In Iowa only 76% of the total acreage of corn had developed to the roasting-ear stage by last Saturday which would indicate that the crop is still vulnerable to the normal date frost. We also hear from time to time a few reports from Illinois of the fungus disease but this is not general. Milling demand was moderate but some believe that a setback would bring renewed activity to the market.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 7, 1951

The Bureau of Agricultural Economics always has some interesting data in ts quarterly issue of THE WHEAT SITUATION. Naturally in looking ahead there are good number of uncertainties, and so it is necessary to make some conjectures or guesses as to what is probable for the future. They are counting on wheat acreage next summer, including winter and spring areas of nearly 79 million acres, having set that as their goal. If a normal crop is produced on that area it would give us a yield of 1,165 million bu compared with 998 million bu just raised. This would be 167 million bu more but would be partially offset by a smaller reserve stock, which they now figure may be cut to 320 million bu on July 1, 1952. Of course, in these calculations they are looking for heavy exports again, which could take place and also an expanded domestic consumption. However, even if that occurred we would have a total supply at the beginning of the next crop-year of 1,485 million bu compared with a supply of 1,393 million bu which we had on hand July 1st this season. We have made no allowance for a probable 40 million bu feed wheat which is likely to be imported from Canada; nor are we figuring on any imports of milling quality wheat because these are limited by quota and are actually less than 1 million bu.

Thus it is quite apparent that we are not making much headway in cutting the reserves and in fact there is even the chance now of adding to the accumulations. The International Wheat Agreement ends with the 1952-53 year and the question of extension will be considered in the coming months. The government stresses the fact that during the first two years of the Agreement, exports of wheat and flour have been maintained at a higher level than would have been possible in the absence of the agreement or a similar export program. We wonder somewhat and consider this a debatable issue. As we have pointed out on many occasions over half the wheat has been destined to ECA countries so that money was not a prime factor. Moreover we subsidized shipments to the tune of 68¢ a bu taking the 1950-51 year as a whole, which was an increase having been 55¢ a bu the season before. Total subsidy payments made in the U. S. during the two-year period have amounted to $258 million. The government refers to this as being in the nature of a bookkeeping transaction since they say it is offset by a corresponding saving in the foreign aid programs which finance more than half the purchases.

The wheat harvest in Canada is officially forecast at a record level of 582 million bu or 25% above last year's large outturn. However, shipments will be limited to some extent because of transport difficulties. We must, however, take into account that a good part of the European import requirements during the past six months have been stimulated by the desire to increase reserve stocks because of the international situation while inflationary factors were also a consideration. Besides that, India had a serious food shortage and the impact of that demand is being carried over into the 1951-52 season. As for the future we must take into account conditions in the Far East. Much will depend upon the extent to which rice continues to be available and some of the important deficit areas last year may not require the same help from us in the months ahead.

Primary receipts of wheat were nearly 2 1/2 million bu compared with 2.2 million bu last week, and 1.8 million last year. Kansas City and Minneapolis stocks so far this week show a net increase of 324,000 bu. When the visible supply is posted on Monday it will compare with last year's increase of 656,000 bu.

Trade was moderately active, corn became very strong on reports of some export business, with Austria presumably the buyer of two cargoes. There was also talk that Egypt had bought 2 cargoes of wheat, but no confirmation of this. In any case, somewhat lower than normal temperatures are forecast for the corn belt, and this may have had something to do with today's buying, which came mostly into the deferred months. Flour business was slack, and it was claimed that inquiries were disappointing, and a good many buyers are able to hold off, having made large purchases earlier. It was clear and warm all though the Canadian provinces, and the forecast is for continuation of moderate temperature s, ranging as high as 80 degrees for southwestern Alberta to 70 degrees in eastern Manitoba.

During the past week Broomhall claimed that U.S. wheat and flour exports were nearly 10 million bu, which brings them to a total of 65 1/2 million bu since the first of July compared with only 39 million last season.

There was also some mill buying today, which gave strength to futures. The country sold a little more corn, but it came mostly from Iowa and Nebraska. The Illinois movement does not seem to expand much,

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 10, 1951

Farmers have gradually turned their attention from rye to other cereals, which apparently are more profitably grown. This year's preliminary estimate for a crop of 25 million bu is the largest since 1947 but even prior to that we must go back to about 1942, when a yield of 53 million bu was obtained. These large production figures were more common earlier when we used to export 15 to 20 million bu and practically consuming the same amount. However, at the present time, it is figured that comparatively little has to be exported because Canada raises far more than she consumes, and furthermore with the subsidies that are being paid on wheat shipments there is not the same attraction to rye even though it is selling at a big discount under wheat. Domestic disappearance last season was the largest since 1945 and totaled 24 1/2 million bu. It consisted of 5.2 million bu for food, 6.5 million bu for feed, 5.1 million bu for seed and 7.7 million bu for alcohol and spirits. Exports amounted to nearly 6 million bu, also the largest since 1945. From the above figures, it will be noted that rye is quite an exceptional commodity inasmuch as more is used for seed than for food. Nevertheless, we have not been bothered because of short crops inasmuch as imports have been quite substantial for a period ofseveral years now and thus we have augmented our home supplies to quite an extent. On basis of July 1st figures, our domestic supply is reckoned at 30.3 million bu compared with 32.5 million bu last year. The larger crop was offset by a reduced reserve. Domestic supplies have averaged only 28.5 million bu for the five years 1945 to 1949, but this compared with 62.4 million bu for the ten years prior to 1945. In other words, we are no longer an important rye producing country.

The government now believes that the acreage goal fow ehat of 78.8 million bu announced July 13th will probably be exceeded and thus if we harvest from about 80 million seeded acres which would be an increase of 1 to 1 1/2%, it is likely that instead of obtaining a wheat crop of 1,165 million bu, that we may raise an additional 15 to 20 million bu. Most PMA committees believe that the bigger acreage figure will be realized. The Secretary of Agriculture also announced on July 29th that there will be no acreage allotments and no marketing quotas on 1952 crop wheat. The Department officials stated that the supply of wheat during the 1952-53 marketing year is expected to be below the quantity specified for marketing quotas under existing legislation, and that the continued need for food in the uncertain world situation makes it advisable not to establish acreage allotments for next summer's crop.

There had been some rain in our Northwest over the week-end, also some in Canada, but the map did not show anything in the way of heavy precipitation except that heavy showers were reported in Central Saskatchewan. The low temperatures in Canada were well above the freezing mark, which is encouraging. However, harvesting operations have been somewhat impededand we need a period of good weather to gather crops. Southern Manitoba, according to The National Grain Company has cut 61% of its wheat, but in the northern part of the Province only 31%; Saskatchewan makes a poorer showing with 25% cut in the south and 8% cut in the north, according to a survey of September 7th, Alberta cutting was only 3% with 6% in the Peave River Valley.

Markets opened slightly lower with little attention paid to the Russian talk of a war threat, because of events transpiring in San Francisco. This news occasioned the final rally in grains on Saturday.

When the visible supply of wheat was posted there was an increase of 2.3 million bu, the same is true of oats. Total wheat stocks are now 205 million bu compared with 223.8 million last year. Corn was about a standoff, with 30 million bu in all positions compared with 38.7 million last year. Chicago wheat stocks increased 166,000 bu, and now total 10.2 million bu. Corn remains at about 8 1/2 million bu; oat stocks locally increased to 12.3 million bu. There was very little change in rye; there is still a little over 2 million bu in thi s market, but only 165,000 bu of beans.

The trade was reasonably active, there was not much milling or export trade reported; consequently after the short covering of Saturday there were some reactions all around. Mills in the Northwest which had been experiencing better business in flour, claimed rather poor orders coming in, and there seems to be some buying resistance since the advances have taken place. The cash corn basis at Chicago was unchanged at about 6 to 6 1/2 over. Trade in corn was not heavy, but there have been some reports from the country that the crop is not doing too well, and all admit that the season is late, so we shall probably have to have a late frost to get

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

the benefit of the last government figures. The first car of new corn arrived in Chicago from southern Indiana, and graded #3 white 17.3% moisture.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-5282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 11, 1951

According to reports generally circulated farmers' prices as a whole have averaged above parity. This, however, is only partially true, as there are only a few commodities actually in the higher brackets. Among the major products we find that cotton, wool, sweet potatoes, beef cattle, lambs and veal calves are above parity, but most other major commodities are below. Throughout last year prices of the majority of farm products were below parity, which shows how difficult it is, even with all the artificial supports and heavy exports, (many of which are being forced) to bring about the desired results.

Shipments of wheat last season were accelerated during the last six months of the crop year because of the big subsidy and shortage of good quality wheat in Canada, but even with these advantages it was not too easy to get the price up to parity or above. If we should ever lose a portion of our export markets, the situation might become quite serious. All this has occurred at a time when the economic activity in the United States remained at very high levels. For example, more people are employed in this country than ever before in our history with 62 1/2 million in gainful occupations. General business continues very good on the whole, with personal incomes tending higher, despite heavy taxes. From the second quarter of 1950, just before Korea, to the same period this year income rose 15%; wage and salary receipts showed one of the sharpest gains: namely, 20%. As a result of this prosperity there are many items in heavy demand. For example, the manufacture of cigarettes in 1951-52 will probably be close to the record of 407 billion which was reached the year earlier. Of course, there are some lines of business that have shown a slackening because of the fact that a year ago there was so much merchandise put away on the threat of shortages developing that house-hold inventories had been built up beyond the normal scope of requirements.

When our market opened this morning it was influenced by fairly good weather reports from the Northwest, although some showers are still in prospect, and a period of clearing weather would be desirable for harvesting operations. Sprout damage and other weathering losses are said to be heavy, according to the Peavey Elevator crop report. This afternoon we shall have the official figures on the spring wheat outcome. The five day forecast for corn is quite favorable, and temperatures are rising to some extent, although some scattered moisture is expected, but on the whole the outlook is brighter. There, too, we shall get figures of an official nature to tell us of the comparison with last month. There have been some showers in Canada also unwelcome at this time as wheat and small grains are ready for cutting.

It was reported that Japan bought 8 cargoes of Manitoba wheat from the Pacific Coast, and the U.K. bought 300,000 bu of Manitobas and Durums from Montreal. Thus a larger percentage of the shipments may henceforth come from Canada, although we were told this morning that Holland bought a cargo of hard winters from our gulf ports.

Primary receipts of wheat were 2,434,000 bu compared with the two days' receipts last week of 4,941,000 bu; this compared with nearly 2 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 141,000.

The U N Command admitted that one of its planes strafed the Kaesong Neutral zone by mistake yesterday. Whether this had anything to do with weakness in securities is hard to say. The U N admitted its error and apologized. All previous charges have been either denied or ignored by the Allies.

Toward the end of the session there was a report from Canada that possible frosts would occur tonight in northern Alberta and northern Saskatchewan. This brought a rally into the market, particularly as Canadian futures had been strong all day. September beans in our market were quite firm at the opening, and later gained further ground because track sales were made at a high figure. This, together with strength in September corn, may have been responsible for short covering in the various pits.

Most flour mills report a very slow business, and it seems difficult to arouse much new interest. Trade is fairly well booked and buying power at the moment is at rather low ebb. Minneapolis wheat futures went to a further discount under Chicago, which might suggest that we will import wheat from the Northwest before the season is over. There was probably some evening up also in anticipation of the government report, which might show some surprises.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 12, 1951

After the close of the market yesterday the government issued its September crop production report, and on the whole it was quite optimistic. While prospects were slightly lower than the month earlier, they continue to indicate the second largest all-crop volume of record. Some major crops deteriorated because of unfavorable August weather conditions, and the principal losers were corn and peanuts, while some other crops improved. However, the changes from August 1st were in a general sense relatively small. However, the government did comment that harvesting of small grains were retarded by intermittent rain in much of the spring grain area, although elsewhere harvesting conditions were mostly good. Much fall plowing has been done, and a little fall seeding was under way in well prepared seedbeds. Pastures were mostly good except in the drier parts of the South.

As far as corn is concerned, it now looks as though the yield would be about the same as last season, but undoubtedly it will be smaller than the amount consumed, as we figure with the number of animals on feed we shall probably need 3.3 billion bu, and thus we will probably cut into our reserves again. The nation's corn crop at 3,131 million bu was a decline of 76 million bu from last month, but compares with the ten-year average of 2,981 million bu.

While the oat crop also showed a slight reduction from the August figure, it is a fact that feed crop prospects for the country as a whole are reported better than usual, and the estimates given by the September report cover not only feed grains, hay, silage, fodder, and pastures, but also other feeding materials not separately estimated. Feed grain production totaling about 120 million tons is now in prospect, a quantity which has been exceeded in four of the last five years, but, nevertheless is larger than in all but one year prior to 1946. As an offset the number of livestock to be fed will be larger than in any other year except 1942 and 1943.

Ordinarily the relatively large carryovers would help to supply feeding requirements, but inasmuch as a big percentage of the corn reserves are tied up in government hands it may take high prices to finally draw it out. Hay supplies will be the largest of record. The reported pasture condition of 79% is 2 points above average, but 6 points lower than a year ago, chiefly because of dry conditions in the South and Southwest; also a number of isolated sections in the East.

When our market opened this morning corn was relatively firm; likewise September beans gained momentum, which had started yesterday, and this gave encouragement to other grains with the result that there was general short covering. There were also two cargoes of corn reported sold to the U.K. for last half December shipment. This had some influence because it took hedges out of the pit.

No frosts were reported in Canada, and apparently light showers and cloudy weather have averted the threat which had been feared yesterday. There have been some nice rains recently in the Southwest, including the Texas Panhandle, which is not only good for the milo crop, but also improves the seedbed for winter wheat, although little attention has been paid to that factor during recent days.

Primary receipts of wheat were nearly 1 1/2 million bu compared with 2 million bu last week and only 981,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 246,000 bu.

Markets were quite active and there was some relative weakness at times in Minneapolis with 614 cars of wheat received there compared with 250 cars last season. Duluth had more than twice as many cars as last year, 524 having been reported there this morning. Milling demand was rather dull. There was nothing much reported sold for export but yet with the strength in corn and in beans the leading cereal finally showed moderate gains for the day. The grain sorghum crop this year is estimated at 162 million bu compared with 237 million bu last year, but is still substantially over the ten-year average of 118 million bu. Beans were fairly strong, particularly the September delivery and this is a reflection of high prices for spot beans in the country, but those who were quite aggressive early in bidding the country seemed willing to temper their ideas.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 13, 1951

The government report, which was issued September 11th, indicated a total wheat crop of 999 million bu. There was no change made in the figure for the winter wheat crop and we shall have to wait until December for any revision but spring wheat production of 348 million bu was slightly larger than had been forecast the month before, and even though weather has been bad for the past two weeks most people are of the opinion that barring further heavy rains or other adverse conditions that a crop of that size will be realized. The total is about 27 million bu smaller than the year before, but, in our opinion, it matters very little in comparison with the quantity that is finally impounded under the loan. Last season 196 million bu was taken out of commercial channels, or at least this is the figure of wheat that at one time or another had advantage of the support program but final defaults have not been stated. The quantity was considerably smaller than the year before when 379 million bu had been put into the loan. Unfortunately, the trade is not given the advantage of these figures at regular intervals and since it is such an important item it places a great handicap both on traders and on producers because the latter would have a better idea of what the market might do if they had more frequent information. While some wheat was harvested in Texas and Oklahoma in June, we find that last season the first information on impoundings was made available on September 28th and at that time it showed 57 million bu had been turned over tothe CCC under the price support program. Even then there was undoubtedly quite a lag because many of the banks in the country are not too prompt in forwarding information to Washington so that data and statistics may be accurately compiled. The next report was published October 27, 1950 and by that time 101 million bu was impounded indicating that there was considerable interest in the program. When we compare wheat with cotton, the story is quite different because in the latter commodity the government issues figures almost weekly and thus there is something to guide the market rather than mere guessing. It also makes unnecessary speculation on one of the most important phases in our price developments. While farmers have until the end of January to take advantage of the loan, we find that last season by December 29th 165 million bu had been impounded so that not too many producers waited until the last moment to act. It would be extremely interesting this year to get some cue as to what has taken place and we presume that within a few weeks preliminary information will be made public.

In the meantime, considerable moisture developed over the corn belt. Temperatures dropped but there is some chance for moderation by tomorrow afternoon. Nothing serious has been indicated nor were any frosts reported in Canada. There were, however, showers in eastern Saskatchewan and an unsettled condition prevails in Manitoba so that full scale harvesting operations are not yet possible. The same is true in our own Northwest with some rains here and there but yet Minneapolis received 639 cars of wheat this morning compared with 277 last year and Duluth had 470 cars compared with 186 a year ago. Thus, progress is being made but the quality of the crop has been somewhat hurt by the persistent rains of the past several weeks although fortunately the actual number of bushels may not be seriously affected

Primary receipts of wheat were nearly 2 1/2 million bu compared with 2.1 million bu last week, and 1.1 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 287,000 bu.

Markets were reasonably active, and there were some reactions following the recent short covering. September soybeans were quite weak and lost some of the premium over the more deferred months. Flour business is still rather limited, although a little more volume was reported in the Northwest, but according to The Southwestern Miller no great enthusiasm was shown. Wheat and flour export shipments, according to Broomhall, were 7.8 million bu this week, bringing the total to 73 1/2 million bu for the season compared with 44 1/2 million last year. However, new business was rather dull, and we were told that Britain had bought about 1 million tons of grain from Russia of this year's production, of which 200,000 tons was wheat, the balance mainly feed grains.

European weather was better for harvesting and before long we should have a clearer picture of both yields and quality obtainable from various countries on the Continent. India has received rains in the Northwest where drought had persisted, and had been causing damage to native feed crops. Rains should also improve soil for wheat seeding.

Corn yielded some ground, but there was no heavy selling.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 14, 1951

Federal expenditures continue to mount, and by June 30, 1953 the government will have spent about $402 billion since the end of World War II. That exceeds by $235 billion total federal expenditures for the years 1789 through 1940. It must be clear to any thinking individual that we cannot continue our present course without finally coming to grief, because taxation is getting to a point where more and more people are being hurt. If all personal taxable income of $25,000 a year and over were confiscated by the government the amount would be sufficient to pay the current running expenses of the federal government for only about ten days. Thus it is obvious that if our tax burdens are to expand, those in the lower income groups will have to spend increasing number of days working for the government, and besides will be forced to bear the bulk of individual taxes. In 1939 a married man with an income of $2,500 a year was exempt from federal taxation, and was able to keep everything he earned. During the present fiscal year, however, he is compelled to work 22 days to pay his federal income tax. A married person with an income of $5,000 a year would work 34 days for the federal government, and one with $50,000 income, 87 days.

We need only look to England to see how much worse our problems may become, for the tax burden over there has already been shifted to lower income groups. According to data compiled by the British Financial Secretary in a report to Parliament it shows that total taxes of those in the income group below £1,000 a year, (or roughly $2,800) increased by 615% from 1938 to 1949, while those receiving £1,000 and over showed a gain of 170%. Whereas in 1938 only about 20% of total personal taxes was contributed by the lower income group, in 1949 the proportion had risen sharply to 40%. On the other hand the proportion of these taxes paid by those in the upper income groups declined during this period from 80% of the total to 60%. The British experience should be a dire warning to all of us that we are traveling along a dangerous path, and that great economies are necessary, particularly at a time when staggering amounts are needed for military purposes as a protection against aggression.

When our market opened this morning it was influenced by an announcement from the Department of Agriculture that the price support program had been expanded to include lower grades of wheat on which a loan could be made due to widespread weather damage that has occurred this season. The program will now cover No. 4 and No. 5 wheat as well as sample grade provided it is storable and not sour, musty, or hot. There are certain other restrictions but very likely the amounts that will be impounded will be larger now than we had figured, although it is naturally difficult to tell. In any case Minneapolis September wheat opened sharply higher and since there is a fair amount of lower grade wheat in the Northwest, it indicated a more favorable trend toward keeping wheat off the market. Weather was not much of a factor although the five-day forecast suggested temperatures below the normal and there were further scattered showers in parts of Saskatcheway and Southern Manitoba. There is a risk of frost tonight in parts of these provinces with clearing conditions setting in. However, the season is so late that it should not do any appreciable damage.

Holland bought a cargo of hard winters from the gulf for last half November shipment and on the whole there was an improved sentiment following yesterday's liquidation. There was other export business to Germany, and 38,000 tons of red wheat was reported sold first half October, but in spite of hedges that were covered markets did not make too good a showing, and some of the early gains were lost.

Primary receipts of wheat were 2 1/2 million bu, a little more than last week and compare with 1.7 million bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 304,000 bu. When the visible supply is posted on Monday, it will compare with an increase last year of about 2 million bu.

September soybeans and September corn were under some pressure as we come closer to the new crops. After all nobody will want to carry stocks at the present high premium unless they have immediate use for these commodities. Canada has exported 27 million bu wheat so far this season compared with 20 million bu last. Today it was reported that 3 million bu, of Manitobas were sold to Italy; therefore, we are going to feel that competition more keenly as time goes on. With some of the nearby deliveries rather weak it naturally had some influence on the deferred months, although on the whole there was no heavy selling of any of our grains. Milling demand was extremely dull.

UHLMANN GRAIN CO.

This is not a solicitation or any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY

TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 17, 1951

When people of any country are gainfully employed and apparently are getting higher wages than ever before in history, there seems to be a complete apathy and indifference to heavy expenditures, both personal and political, even though it may be changing their entire economic situation. Few can visualize what it means that the budget outlays for the current fiscal year ending June 30, 1952 may be nearly $72 billion, and that for the following fiscal year they will likely go above $87 billion. As we pointed out in a recent letter this government is spending money like never before, and by June 30, 1953 will have paid out since the end of World War II $402 billion, which is $88 billion more than we spent during the entire period of the last conflict when waste and devastation could hardly be avoided. The cardinal test of any nation's capacity to bear financial burdens is always found in the willingness and ability of the taxpayers to foot the bills. For the current fiscal year it is likely that taxes of all kinds, including federal, state and local will take more than 30% of the national income. Based on past experience of other countries this high proportion of taxation for governmental purposes is perilous for the reason that it constitutes a strain far and above anything that the economic and living standards of the people warrant. The unfortunate part of the whole thing is that there is so little apparent official concern over our financial plight, and many people in government are still busily drawing up blueprints for all sorts of projects that have no connection with national defense, but that even have a Utopian tinge.

When our market opened this morning it was naturally influenced by the fact that temperatures had not fallen to the freezing point as had been pretty forcefully predicted by the Weather Bureau, although there had been some private opinions expressed on Saturday that the map reading did not present the same danger that had been officially feared. Corn is undoubtedly late in many sections of the country, principally in Iowa and in other western sections. However, East of the Mississippi River, and certainly in Illinois we are nearly up to schedule, and should there be a few weeks yet of good weather we might still raise approximately as much corn as the government had forecast. It is almost too much to hope for warm nights, but at least moderatetemperatures during the daytime would help.

There were good receipts of wheat again in the Northwest, 1,383 cars at Minneapolis, which is almost double last year. Ordinarily with the big discount for their futures we might bring some grain down here, but boats are scarce. It takes almost 13 1/2¢ to ship wheat from Minneapolis to Chicago all rail, on basis of the new freight rate, and we have notheard of any business having been accomplished. As a matter of fact, there is some red wheat being sold to mills, and we may reduce some of our accumulations before December. The USDA forecasts 218 million bu wheat to be used for feed, seed, and industrial purposes, an increase of 18 million bu over last season. They say that there is 1,176 million bu left for milling, export, or carryover compared with 1,254 million a year ago, all of which would indicate a much smaller reserve stock at end of the season than we had July 1, 1951. However, we anticipate smaller shipments abroad as Canadian competition increases; therefore, it is a little early yet to have definite views on how much wheat may be carried into the next crop.

The second official estimate of Canadian production was for a wheat yield of 579 million bu, only 2 million bu less than the time before compared with 461 million bu a year ago. Her oat crop was slightly better, as was barley, but a reduction in rye of 1 million bu places that crop at just less than 19 million bu.

When the visible supply of wheat was posted, there was an increase of 4 million bu, total stocks now amounting to 209 1/4 million bu vs 225.8 million bu last season. Corn decreased over a million bu but this was more than offset by an increase of 1.1 million bu in oats. Here in Chicago, our wheat stocks gained 123,000 bu so that there is 10.3 million bu locally held. Corn stocks declined 307,000 bu but not many changes in the other cereals.

Markets were weakest near the opening or possibly one-half hour later, but corn showed rallying power despite higher temperatures that seemed to prevail rather generally. Even Canadian temperatures are up to 75 or 80 degrees Fahrenheit with warm, dry conditions reported, and this will probably continue until tomorrow so that the threat of frost has been dissipated. According to some

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

experts, increased fertilization with phosphoric oxide and nitrogen would boost corn yields 10 bushels an acre. This would be the equivalent of planting nearly 10 million acres additional and demonstrates what scientific research can accomplish.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Sept. 18, 1951.

Whenever in the past supply and demand or economic conditions have necessitated price adjustments of grains, in many quarters there has always been an attempt to make a "whipping boy" out of the grain exchanges, which symbolize free and open markets where thousands of buyers meet thousands of sellers daily to adjust their ideas to prevailing conditions. Many have preached that under government controls prices could be stabilized and fluctuations minimized. However, this theory seems to be thoroughly refuted in Canada where the entire marketing of grain is in control of the Canadian Wheat Board, and where free and competitive markets do not exist as in the United States. At a special conference recently held at Macdonald College in Quebec, called to consider the price, supply and demand of western grains needed by eastern farmers, Mr. George H. MacIvor, Chief Commissioner of the Canadian Wheat Board, made the following remark: "That fluctuations in price were beyond the control of the Board (Canadian Wheat Board)," while Mr. W. J. Parker, Vice President of the Canadian Federation of Agriculture, and President of the Manitoba Pool Elevators, said: "I am as disappointed as you are that there should have been more fluctuations in price since the Board took over than there were before they were in the business."

From the experience of our northern neighbors it appears that compulsory state marketing cannot in any shape or form market grain more orderly than is done under the open futures market system. No individual or organization, or any government can possibly have control of the price of grain. As commented by the Searle Grain Company, Limited: "Under the open market system, uninterfered with by governments, the risks alluded to are spread over and carried to a great extent by a large number of people called speculators, but that under compulsory state marketing these risks have to be carried by producers or consumers, or by the tax payers."

In the Wheat Review of the Dominion Bureau of Statistics, it is pointed out that of the four major exporting countries only Canada is expected to have greater exportable surplus of wheat in the 1951-52 crop-year than in the previous one. The present new crop is estimated at 579 million bu and the carryover at 186 million; so Canada starts out with supplies of 765 million bu, which compare with 574 million last year. Figuring home consumption of 165 million, and if they should succeed in exporting 300 million bu, there would be a disappearance of 465 million bu, leaving the carryover on August 1, 1952 approximately 300 million, or almost enough for two years' domestic consumption, which undoubtedly will present problems for that country.

Weather over the entire grain belt the past twenty-four hours was mostly dry, with moderate temperatures, while the five-day forecast indicates approximately normal temperatures in the corn belt west of the Mississippi and slightly below normal east of the Mississippi. Canada reports that it has been clear and warm in all three Provinces, temperatures this morning averaging 65 to 80; thus it would seem that at least for the next few days any fears of frost have been alleviated.

Primary receipts of wheat today totaled 2,975,000 bu vs 2,434,000 bu a week ago and 1,866,000 bu on the comparable day of last year. So far this week Kansas City and Minneapolis show a net decrease of 174,000 bu.

We did not hear of any new export sales of wheat from this country, and in fact, one source reported that #2 spring wheat was offered at 6¢ a bu under the IWA maximum for Atlantic clearance and failed to attract interest. Flour demand is also extremely light with spring wheat mills doing a modest business but bookings rather negligible in the Southwest. All grains were influenced by the weakness in corn andin beans due to better weather conditions. It was reported that considerable new beans have been booked, which is indicative that the movement is very close and more hedging pressure should be felt upon that market in the near future. While the weekly crop reports indicate that only 50% of the corn is dented in Iowa, and fields show lack of uniformity, in talking with several points in Illinois today, we received rather glowing reports on the corn in their localities. As a whole, the Illinois State Report mentions that half the fields are dented and about 40% now frost-safe.

The U.S. Department of Agriculture, Bureau of Agricultural Economics, in their release in The Fats and Oils Situation, points out that the output of edible vegetable oils in the year beginning October 1st may be about 10% larger than the record production of last year. The output of lard may be 5% larger, although butter will be somewhat reduced. Supplies of flaxseed and linseed oil in the 1951-52 season will be adequate for foreseeable needs.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
W YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 19, 1951

Frost in Canada is no longer a severe menace to the crop, and as a matter of fact a period of dry weather is more important now in order to insure proper harvesting of what looks to be the biggest wheat yield that has ever been obtained in that country. Should the present prospect of 579 million bu be realized it would exceed the previous bumper crop in 1942 of 556 million bu. It is only since the outbreak of World War I that Canada really became an important factor in wheat production. For example, their crop in 1910 amounted to only 132 million bu, and in 1914, 161 million bu, but since that time expanded acreage and better technique have been responsible for the big increase in wheat production, so that gradually Canada, like the Southern Hemisphere, has become more and more competitive. We have probably been on the liberal side when we estimated domestic consumption for that country at 165 million bu. The Canadian population has not increased to a great extent, and as a result home usage between 1940 and 1950 has averaged only 154.2 million bu, including the quantities used for human food, livestock feed, seed, and industrial purposes, together with some waste. In only one year: namely, 1943-44, did domestic consumption reach a very high figure of nearly 180 million bu, although the year before that and the year after it exceeded 170 million. Whenever sufficient quantities of oats and barley are raised, feeding of wheat is not too important; therefore, it is apparent that large export outlets are needed. We recall one year: viz, 1928-29, when total wheat shipments reached 407.6 million bu, but that, too, was an exception, and the ten-year average has amounted to less than 260 million bu. In view of the fact that Canada is faced with a carryover reserve one year hence of 300 million bu, it shows that danger may lie ahead, and even this is on the assumption that they may ship 300 million bu wheat and flour in the current season.

Production of coarse grains and flaxseed in Canada is also expected to exceed last year's outturns by wide margins, and with an oat crop of nearly 500 million bu compared with 420 million last year, we may well expect imports into this country for the entire season. The barley crop estimated at about 250 million bu is 80 million greater than in 1950, and is second only to the record of 259 million bu harvested in 1942. Altogether we feel that even with import tariffs and a negligible quantity of wheat that may come from Canada to this country for bread purposes, competition is going to be sufficiently important that we cannot ignore it. Canada is a country whose soil is mostly virgin, and the anticipated yield of wheat per acre in the Prairie Provinces this year is 22.3 bu, Alberta showing up the best with nearly 26 bu per acre. Therefore, the present year's accomplishments are made possible even though acreage has not been as great as in other periods.

Primary receipts of wheat were 1.7 million bu compared with 1.4 million last week, and a little less than 1 million bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 166,000 bu.

The government gave us the first figures on wheat impoundings, and for the month of July they were 16 million bu. This was regarded as small, but, of course, it is a fact that floods in Kansas and failure crops in Texas and Oklahoma may have accounted for the small quantity reported. The CCC gave its wheat stocks at 194 1/2 million bu, or not much change for the month.

Corn held off the market through supports of various kinds was 537 million bu at the end of June. Thus it does not look as though there will be more than about 200 million bu corn in private hands on October 1st.

Mills reported only a small flour business, so not many hedges were taken out of the pit. At the same time export demand was also slow, but there was no particular pressure, even though carlot receipts of wheat at Minneapolis and Duluth were about twice as big as a year ago.

There was considerable weakness in September corn and in September beans, but this was not surprising as we draw closer to the new crops.

The British will hold a general election October 25th. The coming winter promises to be the darkest for England since 1947.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 20, 1951

The London market was reported generally strong this morning on the announcement of a general election late in October. As for Korea the Communist High Command reversed itself rather suddenly, and suggested that Korean cease-fire talks be resumed immediately in Kaesong. Apparently this is due to rather heavy setbacks on the battlefront, and according to the U. S. Army Second Ranking Commander in Korea, the morale of Chinese Communist troops is weakening and surrenders have reached an unprecedented rate. This deterioration has occurred despite increased enemy fire power and improvement in transport. The news was given out by Lt. Gen. William M. Hoge, who stated that the enemy would suffer horribly this winter, although he admitted that they had incredible endurance, but despite this they might not be able to repeat last winter's sacrifices in the coming months.

Our market was influenced by some radio and television reports that much colder weather in Canada might work this way, and, of course, corn was more influenced than wheat as the plant has several weeks to go before it will be entirely safe from frost. As far as we can tell temperatures in Canada did not reach the freezing point, but there were strong north winds over Alberta which brought snow in some sections and rains in others. We doubt whether any sudden drop in temperature would affect Canadian wheat adversely but rains and cold weather over the corn belt, particularly in the western sections would be unwelcome.

Our wheat and flour shipments for the week were less than 5 million bu, according to Broomhall. This makes the total since July 1st 78 million compared with 47 million a year ago. While the total thus far is much heavier there seems to be less activity now probably due to heavier Canadian competition. Since November 1st corn shipments have been 91 million bu, just a shade lower than last season. Broomhall's advices with respect to Canadian harvest are rather encouraging. He claims that the greatest proportion of the new crop is now harvested and that, furthermore, there will likely be a burdensome supply, so that outlets will be needed during the current season. The same condition, he feels, will apply to all other grains in Canada, and this confirms our belief expressed yesterday that outlets are necessary for oats and barley since probably the big supply cannot all be domestically consumed.

In our Northwest carlot receipts of wheat are still quite heavy-- 613 cars in Minneapolis vs. 255 last year, while Duluth reported 576 cars against 126. There is some talk that in spite of farmers having to assume storage charges this season, good quantities may go into the loan, particularly since the government has lowered restrictions on the quality of wheat that will be eligible.

The Chicago corn-hog ratio this week declined slightly to 10.5. This compared with 10.8 a week ago and 13.7 last year.

Primary receipts of wheat were heavier and amounted to 3 1/2 million bu compared with less than 2 1/2 million last week, and 1.6 million last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 192,000 bu.

Our markets today were mostly on the firm side, corn in particular, and while there is a small threat of frost for northern Iowa and part of Minnesota by Saturday or Sunday, it is not definite and may still be averted. Just how much damage it would do even if it occurred is hard to tell. There were other reasons, however, for the corn strength. The fact that some distillers' sales were priced, and possibly some additional business put through; also it is thought that the U. K., Ireland, and Spain were inquiring for corn tonight, and that further hedges might be taken out of the market tomorrow. Mexico is also expected to buy 1 million bu wheat tomorrow, which had some influence, but the Navy was supposed to have purchased rather heavy amounts of flour, and this gave us some firmness after a rather easy start.

From what we hear there are some beans coming to Chicago, possibly for delivery on September contracts. This news, however, did not have too much bearing on prices. General flour demand was not too good, although some improvement over recent days. A late message from Winnipeg told of likely frosts for Central Alberta and rather general rains for many other parts of the Provinces.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Sept. 21, 1951.

There should be no great surprises in wheat statistics during the next few months. Southern Hemisphere production will probably be somewhat smaller than last year, and while wheat will not be harvested in those sections until November and December, there are indications that both Australian and Argentine crops will turn out poorer than a year ago due to adverse weather conditions that we have reported from time to time, and particularly a serious drought in northern sections of Argentina coupled with a smaller acreage in Cordoba and Santa Fe. That country's current wheat acreage is below 16.2 million acres, and the Australian sowings were not up to expectations, with the result that a recent official estimate placed the crop in the latter country at only 150 million bu compared with 183 million a year ago. Carryovers will also be smaller because of the fact that exports have continued in good volume and chances are that there will not be too much pressure when new wheat is available. Of course, the big increase in Canada will more than offset any losses just described in the South, and also better yields this year in the Balkans, which will outweigh anticipated reductions in most Western European countries, with the notable exception of Spain. There is some talk now that Canada will have some losses due to bad weather. However, sprouting is less than anticipated in many sections but grades have been reduced and considerable quantities of wheat marketed thus far are grading tough or damp. There were some frosts overnight, rather light, occurring in Central Alberta and Central Saskatchewan, with temperatures dropping as low as 26 at several points. There was also some more rain but it, too, was light, and expectations are for clearing conditions in Manitoba and Saskatchewan later, with a cloudy condition in Alberta.

Probably of more importance was the early forecast for frost or near freezing temperatures in parts of Nebraska and Iowa. This, however, was mostly for the western sections, but in any case corn opened very strong, and there was some nervousness due to the fact that temperatures generally are lower than normal for this time of year. A later forecast was much more moderate. The five-day forecast was not too bad, and for Minnesota, Iowa, and Wisconsin the thermometer readings will be 4 to 7 degrees below normal, with minimum temperatures 42 in the north and 49 in the South. Illinois and Indiana will probably be 3 to 6 degrees below normal average while the coldest weather will prevail in the Dakotas with possible lows of 28 and a brief warming period Saturday but cooler again on Sunday.

East and West Germany have signed a trade agreement under which $100 million worth of goodswill be exchanged between those two sections. East Germany will get coal, steel, and machines, and West will get grain, sugar and optical equipment. Thus it is possible that through this cooperation imports through the U.S. or Canada will not be quite as heavy as last season, but it is difficult to tell this early. Mexico had bought 23,700 tons hard wheat from Galveston, Laredo, and New Orleans. This took some hedges out of the pit, and first prices in wheat were somewhat higher particularly for the December delivery. There were heavy receipts again in Minneapolis and Duluth, carlots running almost twice as large as a year ago.

Primary receipts of wheat today amounted to 2.6 million bu --just a little more thanlast week, and compared with under 2 million bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 235,000 bu. When the visible supply is posted on Monday it will compare with a shrinkage last year of 629,000 bu.

Markets were firm during the fore part of the session, except that some of the September futures were being liquidated, and with beans moving out in the country there was selling of the nearby month, with the result that it narrowed considerably on the deferred deliveries. There was some profit-taking also in corn when the later forecast indicated that there might not be any immediate frosts in some of the western sections of the country to which we have already referred. Flour business continued inactive, and outside of the Mexican sale there was not much talked of in export circles. Therefore, there was not the same urge to buy after some of the early covering had been completed. It is simply a question now of how much grain will finally be impounded, and since the government has such a long lag between the time that grains go into the loan and reports are made, it is difficult for anyone to operate very intelligently.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

There was not much attention paid in grains to President Truman's statement asking for more taxes, although it did cause selling in the stock market.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 24, 1951

The concept of the Welfare State appears in our every-day life in the form of a long list of labels and programs, including parity, or fair price, social security, reasonable profits, the living wage, etc., etc. As a part of this program the Secretary of Agriculture announced Saturday an increased level of price supports on 1952 crop of oats, barley, rye, and grain sorghums in order to assure adequate supplies of feed grains to support high level livestock production. As usual the loans and purchase agreements will be available through the offices of PMA County Committees from time of harvest through January 31, 1953. In making their computation the feed grain supports were the equivalent of 80% of the latest parity price, or in other words, August 15th, as compared with the 1951 support level of 75% of the January 15, 1951 parity. To what extent this will be a bullish incentive is difficult to say, but generally speaking loans have never been quite as effective for feed grains as they have for wheat and cotton and some of the other basic commodities.

When our market opened this morning it was influenced by some reports of frost and the likelihood that freezing temperatures might develop in northern Illinois and northern Indiana by Wednesday, and possibly sooner in sections of Iowa and Nebraska. Temperatures have fallen over most areas and it is quite cool for this time of year. Ordinarily in this section of the country we do not get a killing frost until about the 8th of October. Therefore, there may be some soft corn and it may lessen feeding quality in some areas even though the yields may not be adversely affected to any great extent. As for wheat it was also a little higher in sympathy with the advance in corn and oats, but there is no real issue in wheat and as a matter of fact, we expect heavy competition from Canada during the coming months.

The world bread-grain production in 1951 is tentatively forecast at about 245 million short tons. The indicated production for wheat and rye, if achieved, would be one of the largest on record comparing with the record production of 248 million tons in 1938. Actually the outturn might be 5% larger than in 1950 with increases reported for North America, Soviet Russia, and Asia. A small net increase is also estimated for Europe, despite adverse weather in certain sections but it seems that the reductions in Western Europe will be more than offset by better outturns in Eastern and Central parts.

There has been no heavy movement of beans yet in the Illinois territory but it seems to be getting under way, and will continue if unimpeded by showers, although some are predicted for tonight. However, should we get a spell of dry weather there might be heavy harvesting operations by middle or end of this week.

There were heavy receipts of wheat in the Northwest, with 1,121 reported at Minneapolis compared with 492 last year and a small increase in Minneapolis stocks, indicating that the demand is also fairly good, although the Minneapolis market was between 10 1/2 and 11¢ under Chicago, which attracted some spreading operations and indicates that there must be fairly large quantities coming on the free market.

When the visible supply of wheat was posted, there was a decrease of nearly 2 1/2 million bu. This reduced total stocks to 206.8 million bu compared with 225.1 million bu last year. Corn increased 229,000 bu to 29.3 million vs. 38.3 million last season. Oats increased 1 1/4 million bu with probably some imports still taking place. The total stock is 29.2 million compared with 19 million bu last season. Here in Chicago, there was a small decrease in wheat but total stocks are still 10.1 million bu and there is always a chance of spring wheat coming here. Local corn stocks increased 255,000 bu to 8.4 million bu. Chicago oat stocks decreased 344,000 bu, leaving 12 million bu here. There were no significant changes for rye and barley.

Markets were mostly on the firm side with corn and beans showing the greatest advance although the late forecast was not too certain that frost would develop due largely to cloudy conditions but it is not particularly good weather for harvesting beans and very likely this was responsible for the short covering. Wheat was indifferent because of discounts Northwest and milling demand stays slow and new orders are lagging. We saw some evidence of long hedges possibly on part of mills being transferred to the more deferred months which widened the spreads. Export demand was also very slow.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 25, 1951

There is no sense in saying that one has only half-observed the law of gravity if he falls from a cliff only half as high as another cliff from which he might have fallen. Moral codes and economic laws can no more successfully be defied than the law of gravity. In spite of this we have tried to circumvent many of our laws of supply and demand either in withholding supplies artificially from the market, or in trying to control acreage, with the result that there have been secondary consequences which have been harmful to certain segments of our community. Here lately it has become popular to advise farmers growing rice to withhold their crop from the market in the hope of getting higher prices later on. The government has also pointed out that soybeans are very often depressed at the beginning of the season, but if held until after January an advance may benefit the producer in the future. More recently farmers were advised that if they placed enough cotton under the CCC loan at 33¢ a pound the price would rise to 40¢, thus enabling them to pay off their loan and reap a tidy profit. Of course, if all farmers acted on that advice, the price of cotton would surely drop once they tried to cash in. No commodity is worth more than its market value, but through these artificial means greater resentment is now being expressed by various groups.

We note that the AFL has accused 100 Congressmen of promoting a scandalous wild-cat strike by signing a statement urging farmers to withhold their 1951 cotton from the market in order to obtain higher prices at some future date. President H. L. Mitchell of the AFL Farm Labor Union termed this an unprecedented plot to wreck our national economy in the hour of our greatest effort to combat communism. These politicians, he stated, have foresaken their pledge to uphold the Constitution of the U. S. against economic encroachment by any self-pressure group. He asked whether anyone could imagine what charges would result if the same Congressmen had urged industrial or agricultural workers to go on a slow-down strike until they could get a higher wage. At a time when we are all fearful of inflation becoming more severe, and when living costs are rising, it seems peculiar that these practices or the announcement of still higher loans for next year should already be announced, because in doing so we can only perpetuate the spiral which has already caused much of the inflationary trouble ever since the parity formula was conceived and the 1938 loans started. We must not forget that there is a force controlling cause and consequence, which no mortal can alter in spite of any position of influence or power which he may hold. Cause and consequence are linked inseparably.

While temperatures are somewhat subnormal for the time of year, there were no important frosts in the corn belt, and the five-day outlook does not suggest freezing temperatures of any importance, although a period of warmer weather with less rain would be more desirable for the next ten days.

Broomhall reports that harvesting in Europe has made better progress during the past week and is now largely completed. There have been no recent revisions in production estimates but indications are that no material changes from earlier forecasts are likely. Fall plowing has been delayed in a number of countries because of the fact that harvesting operations have been late, fields are wet, but work now should become more active provided we get more propitious weather conditions. It was reported that Argentine corn to the extent of 2 1/2 million bu had been traded for iron with Austria, and we also heard that a cargo of our corn had been sold from the gulf, but there were no early reports of wheat sales abroad.

Primary receipts of wheat amounted to 3,407,000 bu compared with 2,975,000 bu last week and a little over a million bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 301,000 bu. There are still pretty heavy receipts in the Northwest with Minneapolis reporting 632 carlots vs 324 last season. Their market stays at a substantial discount under us and with flour business dull and not much in the export field there was little to inspire new buyingin today's market.

Corn reacted grudgingly but yielded some ground after recent short covering. Meal prices remain strong but oils are weak; nevertheless, beans had a very firm undertone and closed higher.

There were snows reported in Canada, as much as four inches in Alberta, which will delay harvesting but this had scarcely any influence on our market.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Sept. 26, 1951.

Britain has always been an important factor in the wheat market for the reason that she never produced enough for her own requirements and always had to import. In fact, prior to thewars almost half the wheat taken by Europe was for Great Britain, and thus it was always to her advantage to have lower rather than higher prices. However, the domestic consumption was sufficiently important to require an Agricultural Act, the last having been effected in 1947 for the purpose of promoting and maintaining by the provision of guaranteed prices and assured markets schedules that would permit sufficient agricultural industries to produce fairly large quantities in the national interest, with minimum prices which were consistent with proper remuneration and living conditions for farmers and workers in agriculture and an adequate return on capital invested in the industry. One of the main objectives was to develop a policy designed to assist the farming industry in the U. K. to acquire stability, security, and efficiency, which would play its part in the struggle for increased national production.

Over a period of time there has been some increase in theBritish wheat production but yet that country is primarily an industrial nation, and still depends largely on grain that can be obtained from other countries. Last season, ending July 31st, there was 133 million bu wheat imported compared with 142 million bu the previous year. O f this quantity Canada supplied 73 million bu, and the U. S. 37 million. Then, of course, there was also some flour involved, plus the fact that the U. K. imported rather sizeable quantities of corn, 44 million bu having been taken compared with only 32 million the year before. Russia has had some deals with Britain and likewise Argentina has shipped some, but in the long run the cheaper the price the better for England, particularly as she has been short dollar exchange, and recently most of our transactions have been for cash. The machinery that has now been set up in England has come to be known as the "Price Review System," and changes are made frequently in order to meet various conditions in outside countries as they arise. For example, in 1939, subsidies were paid to produce oats, barley, etc., and further grants were made for plowing up grassland to give the farmer greater security in his production operations, and also to encourage him to build up soil fertility in readiness for war. Almost immediately after the outbreak of war in September 1939, prices of many farm products were taken out of the realm of free markets, partly in the interest of farming stability, partly to prevent excessive price movements on home products, and partly to facilitate control of commodities, which overnight had become national necessities. However, these controls resulted in a number of income inequities among farmers of different types and abilities, so that subsidies and special payment devices were used to supplement the income of certain farmers. At the other end of the scale income tax and excess profits tax legislation dealt with farmers in specially favored categories; so the whole scheme of things became very artificial.

When our market opened this morning it was influenced by more moderate temperatures over the corn belt, with forecasts for rains over many sections of the country. This may delay bean harvesting but is really not too bad for corn, although early prices were higher and even wheat shared in today's advance.

Minneapolis carlotsof wheat were 602 vs. 258, while Duluth had 523 cars against 303 last season. Broomhall's Foreign Crop Summary was more favorable for completion of harvesting and the movement of grains in Europe. It now looks as though France would raise 258 million bu wheat, a little more than had been earlier expected. This compares with 282 million bu last year. The barley crop is 4 1/2 million bu larger, while oat production may amount to 248 million vs. 227 million in 1950, and corn 23 million compared with 15 million a year ago.

Primary receipts of wheat were a little smaller at 1,556,000 bu compared with 1,714,000 bu last week, and 966,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 434,000 bu.

Markets were mostly firm, and wheat showed a belated advance. There was a little improvement in flour sales, but as The Southwestern Miller puts it, there was no consistent flow of orders. We understand that the CCC was asking for offers of soybeans in cargo lots for 15-day shipment, also for October-November clearance, presumably at the Gulf. This, together with stronger price for meal caused short covering, and beans were strong.

Weather down-state had not been as wet as here in Chicago, but sections of Illinois reported cloudy conditions with threat of rain, and this may be holding up harvesting operations to some extent. Corn was indifferent, but there are some exports almost daily, and with the strength in surrounding pits final prices were

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Sept. 27, 1951.

It is becoming more apparent all the time that the various support programs are creating a situation where the farmers are raising their commodities for the loan as well as for the market. The recent propaganda on part of Southern Senators to hold cotton back has caused a good deal of strength for that staple, and while no one can be sure that too much cotton is going into the loan, it is at least being held back so that for the time being there is no pressure on the market. Rice for the same reason has strengthened as farmers have been storing and sacking large quantities, according to reports that have been made to the Department of Agriculture. The price support for the new crop has been broadened so that rice with a head-yield of less than 25 pounds per 100 pounds of rough rice would be eligible for support at the rate for broken rice. With relatively large quantities going into storage, prices have strengthened, and thus we are getting a rather artificial situation in many of our commodities. It is feared that possibly the same thing may happen in corn and in beans, as there has been a good deal of encouragement not to market grain, and on one or two occasions government officials pointed out that in past years when marketings were held until after January farmers received more money for their product.

Despite adverse weather over parts of the country, agriculture has fared well this season, and one of the important factors in today's production is the increased use of fertilizer and more efficient application. In 1940, according to Secretary Brannan, farmers used only about 1.8 million tons of plant nutrients in the form of commercial fertilizers. This year they are using 5 million tons. One of the big headaches, however, is that fertilizer cannot be bought in the quantities in which it is needed. Whenever the time comes that fertilizers are available in more abundant quantity, farm production will show further development. We need to speed up the rate of increase in the years ahead, for at the present time there are shortages and the Department of Agriculture estimates that the nation fell 1/2 million tons short of the desirable quantity of nitrogen for use in feed grains and pastures this year. Besides this current deficit we should have another 100,000 tons of nitrogen a year to take care of our growing population. As for potash, the supply situation is relatively better but supplies of phosphates are expected to decline this year because of the sulphur and sulphuric acid which is needed for super-phosphate production. There has been another important development, and since the end of World War II several new insecticides and other chemicals used in farm production have become generally available, so that final results have been highly satisfactory.

Exports of wheat and flour the past week were somewhat better, and amounted to 7 1/2 million bu, which makes the total since July 1st, 86 million compared with 49 million last year. Most exporters, however, believe that Canadian competition will be felt more as time goes on and that very likely our clearances for the season will be smaller than last even though Europe may take about as much.'

While it is too early to tell yet what effect frosts may have in the corn belt there is some apprehension that there may be more soft corn than would otherwise have been the case if the cool weather had been deferred. The supply of feed grains and other concentrates will again total much larger than in most years prior to 1949. However, with livestock numbers increasing more feed will be used in the season ahead than in any feeding season since the World War II peak. Moreover, carryover stocks at the end of 1951-52 will be somewhat smaller than a year earlier. It looks as though we would have about 750 million corn on hand October 1st from previous crops, but, of course, a good percentage of this will be in government hands. The sorghum crop is expected to be nearly one-third smaller than last season, which probably will result in reductions in all major uses. As a partial offset the hay supply of 129 million tons should be the largest on record either in total or per animal unit. There have been some reductions in the South, also pastures had been reduced because of dry weather.

After mid-session, there were sharp advances, particularly in corn, on a forecast indicating killing frosts tonight for Iowa, Minnesota, Wisconsin, also northwestern Illinois. Light to heavy frosts are predicted for north and central Illinois, as well as north and central Indiana. New highs were made for all corn futures except December. Carlot receipts of wheat in the Northwest were more moderate in comparison with last year and there was a fair amount of spring wheat flour sold overnight although volume was not too heavy. Beans were very strong due to heavy crushings during August and some rains reported downstate which delayed harvesting.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 September 28, 1951

While there was a good deal of grain news overnight there were also political disorders in Argentina, which caused considerable comment here, particularly when it was claimed that a state of siege existed, and that certain elements of the Army had revolted. All airplane flights in and out of the nation were halted and government offices closed. We do not know at this early date how large the military organization is that has revolted against the Peron government; therefore, it is difficult to reach conclusions except that if the present government is overthrown there may be a more conservative rule following what has been virtually a "police state." Later reports said the revolt had been suppressed.

Weather Bureaus throughout the country reported quite a little frost in parts of our Northwest, with fair skies. Temperatures fell decidedly over the Southwest and Central States and freezing temperatures were reported as far South as southern Nebraska and central Iowa, so that we must now contend with the possibility of some soft corn, as frosts were sufficiently widespread to cause some trouble in the early fields, which have failed to ripen. It will probably be warmer tonight and Saturday in the Northwest, and rapidly rising temperatures in other sections tomorrow afternoon, but still the possibility of killing frosts in some sections tonight, which were unaffected during the recent freezing spell. Light frosts are probable for the North portions of the corn belt region, East of the Mississippi River, but possibly the present pri ce has discounted some of these factors.

When our markets opened this morning there seemed to be considerable selling with resultant reactions. The government after great delay has finally given us the amount of wheat impounded for the first two months of the crop season, with 68.2 million bu tied up, and this compares with almost 57 million bu impounded for the same period last year. The final figure for the 1950-51 season was 196 million and the year before 379 million bu, but there has been a good deal of doubt expressed whether we shall have more wheat in the loan than last season due to the fact that the crop was somewhat smaller and market prices in many cases more advantageous to the farmer in view of the fact that he has to assume storage charges on loan wheat, which was not the case previously.

We were also told that the exports of wheat and flour for July and August were 74 million bu compared with only about 34 1/4 million bu the year before. There was a very heavy business during August this season when about 48 million bu cleared but chances are that we shall gradually feel the Canadian competition, and there is no assurance that the total for the season will be as great as it was last. As a matter of fact stagnation prevailed in the export wheat trade during the past week, and according to the Southwestern Miller not a single sale was made for gulf or Atlantic clearance by the private trade. Even Germany, which was expected to make purchases here, diverted its attention to lower grades of Manitoba wheat, and while Europe may import as much wheat and flour as she did last season we expect that Canada will do a proportionately larger share. There is some disappointment expressed in the lowered yields for Australia, with the crop now tentatively reduced to 130 million bu, which is sensationally low and results from a smaller acreage planted, together with unfavorable weather during the growing period. Last year's crop was 183 million bu and the 1950 crop 217 million bu. It is to be remembered that figures are given as of January, so that when we speak of a possible harvest of 130 million bu it would be for 1952. This would be the smallest since January 1947 when that country raised only a little over 117 million.

Primary receipts of wheat amounted to 2.3 million bu compared with 2.6 million bu last week and nearly 2 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 665,000 bu. When the visible supply is posted on Monday it will compare with an increase last year of 1.6 million.

Trade was only fair but there were reactions all around. Some disappointment was expressed that Germany bought between 5 and 6 million bu of Manitobas, leaving our market alone. Elsewhere there seemed to be profit-taking, and in spite of frosts corn had a reasonable reaction. It remains to be seen whether beans will come on the market or whether they will be held for higher prices. Last year the low point was reached by the middle of October, and after that there were very sharp advances. Of course, the short cotton crop was an important factor at that time.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 1, 1951

Trading in grain sorghums was initiated on the Chicago Board of Trade and the first contract in the December delivery was at $2.65 per cwt. We anticipate that there will be a good deal of activity because of the fact that delivery points for this commodity are at Fort Worth, Texas, and over half the crop is raised in that state. Even this season when the yields are turning out considerably less than last season, Texas should raise about 90 million bu, which is certainly a big figure since we shall probably only raise about 162 million bu this season for the entire country compared with 237 million bu last. The next largest state is Kansas, which may raise about 40 million bu, but the balance is pretty well split up between Oklahoma, Nebraska, Colorado, New Mexico, Arizona, and California. As for other grains there was no great interest at the start. Weather on the whole was not bad, temperatures have risen, and it is still difficult to tell how much damage has been sustained in corn by the recent frosts, but strangely enough, trade interest has gone into some of the other cereals, and we found that wheat and rye were quite strong this morning, with pressure light and few commission-house buying orders that found the market rather narrow.

There has been some delay in the Southwest in wheat seeding due to lack of moisture, but according to the Santa Fe Railway report activity in Kansas is now generally under way, and indications point to a large acreage, probably 15 million acres, which is quite an increase from last season and well above the ten-year average of 13.2 million acres. Surface moisture is needed in some localities before germination is possible, and it seems that the rains were very badly distributed. It was not so long ago that we were extremely worried over floods but now surface moisture is needed in many localities, although farmers are going right ahead with their work and apparently hoping for better results next season than they had last summer. Pastures in Kansas continue to offer good fall grazing and water supplies are now plentiful. The same is more or less true with respect to Oklahoma, with more than half the 1952 wheat crop planted, although some farmers have been a little reluctant, hoping for rain. Texas, of course, had a failure crop last summer, and while the drought has been broken by light showers during the past two weeks, there is still much to be hoped for, but more moderate temperatures in that part of the country permit seeding to continue almost until Christmastime.

There was not much news and generally speaking export business continues idle, although there was some talk that Ireland had bought a cargo of corn, but this was not confirmed in the early trade. Wheat receipts in the Northwest were somewhat smaller today than last year with 628 cars at Minneapolis compared with 903, while Duluth had 626 cars vs. 757 a year ago. There is no doubt that holding tendencies in all commodities where loans are a factor have influenced our markets. The question now being raised is whether producers will sell their beans or put them in the loan. There has been a fair movement at some Illinois points but certainly if the price goes lower impoundings will increase, and a good many farmers are hoping to get $2.60 per bushel, so that we rather expect that marketings will not be too heavy at the present time. We had the experience last year of seeing quite a sharp advance after middle of October, and thus producers who sold early found much to their dismay that they would have done better by waiting. Of course, the same pattern does not follow every season, but it has been fairly true in beans for some time that better prices were received after the turn of the year, and for that reason it is probably just as well that shorts should remain cautious to see what develops during October.

When the visible supply of wheat was posted there was practically no change-. total stocks of 206.8 million bu are 20 million bu smaller than last year. Corn likewise showed practically no change for the week, and in various positions there is 29.3 million bu held, or 9 million bu less than a year ago. Oats showed only a small decrease with 29.2 million bu in all positions compared with 18.8 million last season. Chicago wheat stocks declined nearly 1/4 million bu to slightly under 10 million bu, and there seems to be some red wheat going out of this market. Corn was little changed, but there was a 271,000 bu decrease in oats, which was practically offset by a similar increase in beans.

Markets were rather firm particularly wheat and rye, and as mentioned earlie it was somewhat surprising as there was no special news. Exports were lacking, and unless Europe becomes more aggressive there is little promise of much improvement during the next few weeks. It is also rather dull in flour circles, but nevertheless futures were quite firm on small volume. Broomhall stated that France had purchased 400,000 bu of corn from Yugoslavia, and would try to buy 5 million bu from Russia.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 2, 1951

Late yesterday PMA announced the 1951 corn crop loan at $1.57 1/2 a bu, national average. This reflects 90% of the October 1st parity price. It is about 10¢ higher than last year and 3¢ a bu more than the minimum average of $1.54, which was announced last February in advance of planting time subject to upward adjustment when the October 1st parity price was available. There were no surprises and had it not been for other news that came out overnight chances are that markets would have opened lower because actually the weather has turned very delightful. Temperatures are now above normal, and this must be perfect for harvesting of beans and should also be good for maturing the corn except in those areas where damaging frosts have occurred.

The Department of Agriculture is watching the feed-grain supply with some concern, and by October 1, 1952, officials predict a reduction of carryover of all feed commodities by one-third. Other divisions of the Department are forecasting good increases in the number of grain-consuming animal units,. While the peak of such production will probably not be reached until 1955, there is some doubt expressed that feed-grain supplies can keep pace with effective demand for protective foods. Some officials see a much broader use of pasture if grain is to be properly conserved and the needed animal population maintained. Then there was also a forecast by certain ECA officials with respect to soybean demand. They believe that export sales may cushion price dips which ordinarily occur at time of harvest peak. It is true that present prices are about 43¢ a bu higher than last season, but, of course, the loan has also been materially advanced and they are encouraging farmers to hold everything back, including cotton, which is selling higher than the loan level. If any other segment of our society acted in this manner they would probably be accused of hoarding, but as far as the producer is concerned, he is in a special category and given every consideration. The government believes that heavy exports of beans may occur as soon as foreign funds are approved by Congress, and they say that the entire export outlook for fats and oils seems to be good. Official prediction is that exports of oilseeds, oils, and lard may equal those of the current crop-season, but it is also pointed out that foreign buying is likely to be on a selective and competitive basis.

With these various factors our markets opened quite firm this morning, and even wheat shared in the advance, but possibly a statement by PMA Grain Branch Officials had something to do with the better sentiment that developed. The conclusion has been reached that the effective demand for wheat and flour will boost exports to 225 million bu by January 1st. This despite the fact that July and August clearances were only about 75 million bu, and we believe during the last two or three weeks, the European demand has lessened due to heavier competition from Canada.

Australian wheat and flour exports for the fortnight ending September 13th were 3.8 million bu, and since January 1st have amounted to 94 1/2 million compared with 83 million a year ago. The surplus remaining for export and carryover is reduced to 53 1/2 million against 71 million last season and 54 1/2 million two years ago. Moreover, the outlook for the next crop is much poorer than a year ago when 183 million bu was raised, so that, conceivably, with a deficit also in the Argentine as compared with last season, North America might be called upon to make up the differences.

Primary receipts of wheat were 3.1 million bu compared to 3.4 million bu last week and a little over 2 million bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 274,000 bu.

According to the State reports, frost that occurred a week or ten days ago has probably done some damage in Nebraska, Iowa and further north. This may mean soft corn that will have to be fed, but other sections should be influenced by the good weather that now prevails, and apparently there was not much damage in Illinois or east of here. The yields of soybeans are running better than expected in our state and possibly the crop will be revised upwards. However, beans are coming into market dry and this may permit larger quantities to be stored and possibly half of the beans will go into the loan or else are being held back.

Milling demand was not too good Southwest but there has been some slight improvement in the spring wheat districts. Wheat was rather firm early but finally yielded some ground when corn declined. Trade on the whole was rather light.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

[illegible]

[illegible]

Late yesterday USDA announced the 1955 corn acreage at 84,[illegible] national average. This reflects 90% of the October 1st parity price. It is [illegible] than last year and is by more than the minimum [illegible] of [illegible]

[illegible] in advance of planting time subject to [illegible] when the October 1st parity price was available. There was no [illegible] it not been for other news that came out overnight chances are [illegible] have opened lower because actually the weather has turned very [illegible] patterns are now above normal, and this must be perfect for harvesting [illegible] and should also be good for maturing the corn except in those areas [illegible] ing frosts have occurred.

The Department of Agriculture is watching the feed-grain situation [illegible] concern, and by October 1, 1955, officials predict a reduction of [illegible] feed commodities by one-third. Other divisions of the Department are [illegible] food increases in the number of grain-consuming animal units. While [illegible] production will probably not be reached until 1956, there is some [illegible] that feed-grain supplies can keep pace with all-out demand for [illegible] Some officials see a much broader use of pasture if grain is to be [illegible] and the needed animal population maintained. Then there was [illegible] certain USDA officials with respect to soybean demand. They believe [illegible] sales may cushion price dips which undoubtedly occur at time of harvest [illegible] that present prices are about 4.40 a bu higher than last season, [illegible] the bush has also been materially advanced and they are concerning [illegible] everything back, including cotton, which is selling higher than the loan [illegible] other segment of our society acted in this manner they would probably [illegible] of boarding, but as far as the producer is concerned, he is a special [illegible] and given every consideration. The government believes that heavy exports [illegible] may occur as soon as foreign funds are approved by Congress, and there [illegible] the entire export outlook for fats and oils seem [illegible] exports of oilseeds, oils, and lard in my mind [illegible] of the current crop [illegible] is also pointed out that foreign buying is likely to be on a selective and [illegible]

With these various factors our markets opened quite firm this morning, even what ahead in the afternoon, but possibly [illegible] Chicago [illegible] had something to do with the better sentiment that developed. The [illegible] been reached that the effective demand for wheat and flour will [illegible] 125 million only January 1st, this despite the fact that July and [illegible] were only about 75 million bu, and we believe during the last two or three [illegible] the European demand has lessened du[illegible]

Australian wheat and flour exports for the fortnight ending September [illegible] were 1.8 million bu, and since January 1st have amounted to 95.1 2 million com- [illegible] with 83 million a year ago. The surplus remaining for export and carryover [illegible]

[illegible]

[illegible] as compared with last season, North America might be called upon to make up [illegible]

Primary receipts of wheat were 3.1 million bu compared to 3.[illegible] [illegible] and a little over 2 million bu last year. Kansas City and Minneapolis stocks this week show a total increase of 274,000 bu.

According to the grain reports, frost that occurred a week or ten days [illegible] probably done some damage in Nebraska, Iowa and further north. This may [illegible] soon that will have to be fed, but other sections should be influenced by [illegible] that now prevails, and apparently there was not much damage in Illinois [illegible] here. The yields of soybeans are running better than expected in some [illegible] possibly the crop will be revised upward. However, beans are coming [illegible] very and this may permit larger quantities to be stored and possibly [illegible] will go into the loan or else are being held back.

Milling demand was not too good Southwest but there has been some [illegible] the spring wheat districts. Almost was rather firm early but [illegible] found when corn declined. Trade on the whole was rather light.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 3, 1951.

Markets are going quite contrary to usual routine, at least compared with the period before we had so many artificial influences with which to contend. In the past whenever large crops were raised, the farmer knew that he had to make some sacrifices in the price for the grain or commodity that he raised, but as we have seen now in cotton, with one of the largest yields in recent years, and a crop that is far above average, there seems to be every encouragement to hold supplies back with the government being the prime instigator in bringing about these results. There has been a good deal of talk that with proper credit 5 1/2 to 6 million bales of this staple may be exported, and, therefore, even during the peak of the movement there has been very little pressure; in fact, prices have advanced phenomenally all of which has cast a shadow on grains, although there are some exceptions to be noted. If a cotton farmer defaults it does not mean that he loses interest in the future value of the market because the cotton is placed in a pool and if the price goes down the producer does not have to share in the loss, but on the other hand, if advances occur and the cotton is profitably sold as compared to default price, then the profits are distributed in such a way that later benefits accrue to the defaulter. This has never been the case in grain because once the farmer gives up title to the product on which the loan had been made, he ceases to have a financial interest in it. Nevertheless, there are many other considerations that are extremely favorable: first of all, he has a so-called "put" during a long period, and if a market advances to a point at which the redemption may take place on a profitable basis, he can switch his position, and thus make the additional profit, while in the case of a market decline he merely defaults but does not lose any privileges in the succeeding year.

It is these non-recourse loans that have been such an important factor and have virtually compelled every producer to participate. The penalties for cooperating farmers have been relatively light, and in recent years acreages were not cut; in fact, if anything they have been expanded in order tomeet the world-wide demand for food and feedstuffs with Europe producing only about as much wheat as she had before the war while the population has risen. Furthermore, the whole loan program is better understood now than when it started, and the farmer realizes full well the advantages of the governmental generosity so that we no longer have the same pressure at the time of movement that was the case in the past. Those who have been bearishly inclined on either beans or corn have had to contend with this change, and at times it makes it rather difficult for merchandisers to get all the grain they need to handle their normal business.

Before our market opened this morning there had been a sharp advance in meal futures at Memphis, and one or two futures advanced the full permissible limit, which, of course, had its repercussions here, so that with the great strength shown in this commodity it was almost a foregone conclusion that beans would open higher. We have not had much pressure yet from first hands and no doubt there will be a holding tendency although if the price becomes more attractive it may channel greater volume on the free market and less into the loan.

Weather has been mostly satisfactory, although a few light showers have been reported over the corn belt and some more may occur today and tomorrow, with only a slight drop in temperature by Thursday.

Broomhall's Foreign Crop Summary talks of plowing for fall crops, which is now under way, with soil conditions mostly favorable due to ample moisture supplies. There is some lateness, however, due to the fact that harvest had been delayed but this may not be too serious a factor. Weather in France is favorable for plowing, also favorable for corn, which shows excellent promise.

No attention whatsoever was paid to statistics, in fact, all the interest seemed to center around the artificial influences that might develop if Congress appropriated all the money asked for to encourage and to promote exports of various grains in order to assure farm inflation. There have been so many statements recently made that beans would be shipped abroad and that we might export 225 million bu of wheat during the first six months of the crop year, plus the hope of doing a large cotton business that this all gave encouragement to longs and we had considerable strength in all pits with beans leading the way.

Corn was also considerably higher and wheat gained ground, although the outside markets lagged to some extent. Flour business was not particularly good, and sales have not picked up to any extent even where mills have made concessions.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

There was no pressure, however, and the market had little difficulty in scoring gains.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Oct. 4, 1951.

The country marketings in Canada continue rather small in comparison with last year, and the main influence, of course, has been intermittent rains that have interfered with harvesting operations. At the same time Canada, with an enormous crop of wheat, oats, and barley is finding that foreign buyers are showing no inclination to follow advances on this side, but possibly they are waiting for the Congress of the United States to make larger appropriations so that grain can be bought on credit or as a gift, all of which illustrates how artificial the picture still remains. Two or three days ago there was about 7 million bu oats delivered on Winnipeg futures contracts. A good part of this was taken by American interests, and a large portion may finally come to this country but shipments are somewhat hampered by transportation shortages and the fact that so many of the big vessels are carrying ore for defense purposes.

Our government points out that another milestone has been passed in the operation of the International Wheat Agreement, and by end of July of this year the program had reached the half-way mark. High spots were the gains in membership and in the quantities of wheat moving under the agreement, but, of course, this should not prove surprising at a time when the European demand was big and when we were furnishing such large quantities on easy terms, all of which is quite a different situation from when foreign buyers have to pay cash for their supplies. Also, it is to be noted that European reserve stocks were set up in view of international complications, and possibly larger quantities were taken for that reason. We cannot overlook the fact that as long as the U. S. government has the money and the will to feed Europe and to continue its liberal policy with respect to shipments, it is bound to have an influence here. We still find it difficult to believe that exports of wheat and flour for the first six months of the crop year will reach the 225 million bu mark, which some officials expect may be the case. However, it all depends on how big the appropriations are and how forcefully we carry out the various programs of getting grain into exporting channels.

When our market opened there was some mill buying, which indicated possible improvement in the demand for flour. This took some hedges out of the market, shorts had pretty well covered yesterday, and there was not the same firmness displayed. On the other hand there was no particular pressure and for the first half hour trade was awaiting issuance of the private crop report, which upon publication showed no change for spring wheat, but a reduction in corn to 3,108 million bu., which was not too great considering that we had rather widespread frosts earlier than usual. Mention, however, was made that while the actual loss in bushels would probably not be big, we might sustain deterioration with respect to quality and that probably a larger percentage of corn would have to be utilized for silage. The bulk of the corn was said to be safe from frost in Illinois and Indiana, but in other states a considerable amount of soft corn is to be expected. There was an increase shown for the oat crop, with increased yields almost offsetting the downward revision in corn, while in beans a total crop of 277 million bu was indicated, with Illinois the outstanding state, and a forecast of 90 million bu topping all previous records with the exception of last year. The second best yield will probably occur in Indiana where 36.8 million bu is indicated but probably as important as the size of the crop itself is the question of whether farmers will hold supplies back either for higher prices or eventually for the loan, or whether at the present level fairly large marketings can be expected.

Primary receipts of wheat were somewhat over 2 million bu compared with a little over 3 million bu last week and 1.8 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 347,000 bu.

Markets had a natural reaction following yesterday's bulge and short covering. We also understand that the CCC recently had sold some corn from their 50 million bu offerings accumulated in previous years, having been able to get the loan plus the advertised mark-ups. This was not too much of a factor, but may have contributed to a little more bearish sentiment than has recently existed. Flour business was rather spotted, a few good sales here and there, but no real aggressive buying. According to The Southwestern Miller the sales in the Southwest were less than 50% of capacity, and also a little more quiet in the spring wheat territory.

Soybean bookings are improving, and from some parts of Illinois we hear that about half the beans which are being brought to country elevators are offered for sale.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 5, 1951.

Living in an era, as we do, when farmers are growing their grains for the loan rather than for the market, we naturally have to take due consideration of the artificial practices which have changed our economic back-ground. Traders are beginning to worry whether there will be the same holding tendency in beans and in corn that was experienced in cotton. It is perfectly amazing that with cotton prices considerably above the loan, additional quantities are being impounded. One well posted party in the East tells us that possibly from 25 to 30% will be taken out of commercial channels and that the percentage may be even greater if the price should decline. In other words, there is great speculation now on part of the farmer in the hope that there will be better values later than exist now. The government has furnished much of the encouragement to expect this, and recently they felt that if the farmers acted in concert there might be a 40¢ price for cotton as compared with about a 33¢ loan.

We have also seen that with a carryover of possibly 750 million bu corn, 450 million bu or approximately that quantity was tied up in government hands. Once it is in their possession they can only sell it at the price at which it was acquired plus reasonable charges, and as the cost of carrying increases it naturally creates a tight situation. On the other hand, the present corn-hog ratio is not too attractive, nor has it been as favorable as in past years, particularly when we take into account higher labor costs. The Department of Agriculture publishes a table, and in each year when the ratio was 13.5 or higher, there was an increase in the number of sows farrowing in the following spring. Contrariwise when it was 12.7 or lower, with only one exception were there decreases. For 1944, the ratio was 12.3 and there was a decrease of 10.3% the following spring, while in 1931 and 1939, when in those years the ratio was 12.0 decreases, were 1.8 and 5.1%. Another factor that we do not know yet is whether the government will place a ceiling price on corn and at what level. This, together with the relationship to hogs would have an influence on our consumption, but meanwhile cattle numbers are increasing by leaps and bounds, and during 1951 there was an increase from 84 million head at the beginning of the year to 90 million at the end. If the pattern of previous cycles is repeated numbers will continue upward in the next few years, although at a slower rate than at present. However, it may reach 100 million by the mid-1950's.

Broomhall now presumably using the official export figure for the first two months places the total shipments of wheat and flour since July 1st, or for the first quarter of the season at 105 million bu compared with 51 million a year ago. While this is a very large quantity it is not much over the 95 million that was shipped for the same period in 1949, and 155 million during 1948. Since the beginning of the corn season, October 1, 1950, 105 million bu was shipped from this country compared with 108 million a year ago. Soybean exports were 29 million bu compared with only 12 million the year earlier.

The weather map showed quite a little moisture in our Northwest, also some rain in Iowa, but not much elsewhere over the corn belt. Temperatures have dropped a little but it should be very favorable for harvesting of beans, and we expect by middle of October unless there is further moisture quite a little Illinois corn will be ready for market.

Primary receipts of wheat amounted to 2 1/2 million bu, which was slightly better than last week, and compared with less than 2 million bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 724,000 bu. When the visible supply is posted on Monday, it will compare with an increase last year of 491,000 bu.

Trade inwheat was not particularly heavy but much of the firmness was in sympathy with corn and there was very heavy covering of corn this morning with offerings from the country not heavy, although we think within a few weeks that there may be a change but at the same time nobody can tell yet whether a holding tendency on the part of farmers may develop.

Bookings of flour, according to The Southwestern Miller, have fallen off further and sales during the last day or two were at about the lowest rate that has been experienced in some time. This was particularly true in the Southwest. Spring wheat receipts were not burdensome and carlots were about the same as last year but the Minneapolis market remains at a big discount under Chicago. However, there is no chance for much wheat to come down here due to tightness of lake transportation. Carrying charges in wheat widened and there may be de-

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are based on sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 8, 1951

There had been considerable moisture over the corn belt, some of it occurring Saturday night, elsewhere on Sunday, but fortunately clearing conditions have now set in. Thermometer readings have been lower with some frosts occurring, but, of course, this is the average date for our part of the country, and we did not hear of any apprehension being expressed with the result that the market opened somewhat lower. With better forecasts also it is quite likely that some optimism should now be felt with respect to the harvesting of beans and corn, and as a matter of fact, over half the beans in many districts have already been combined. As for the heavy frosts that were reported over large areas, this, if anything, might do more good now than harm, even granting that the season has been late. In other sections of the country we are told that there is going to be a good deal of soft corn that may have to go for silage, but this may not comprise over 20 to 25% of the area confined to our northwestern states plus parts of Iowa and Nebraska. The feeding of corn is not as remunerative now as it has been on other occasions. The hog ratio for Iowa September 15th was only 11.9, the narrowest margin since June 1948. A year ago it was up to 15.8 and the 1945-49 average was 13.7.

Shortly after our quotations had been pretty well established, there was a rather bullish cotton report. Everyone had expected some increase from the month before. Actually, there was a decrease and cotton prices re-opened considerably higher which in turn affected soybeans, but we believe much of the soybean strength has been based on artificial causes: namely, that the farmers are in the frame of mind to hold a good portion of their crop back in the hope of getting higher prices later on.

The U. S. exports of grain and grain products in the season just closed were the second highest on record. Wheat was considerably less than in some of the record years, but apparently heavier shipments of corn, soybeans, and other grains had brought the total to a high figure. We actually disposed of more than 16 million tons in grain equivalent, whereas before the war our exports averaged only 2.1 million tons annually, so that it is not difficult to see why prices, in addition to inflationary reasons, had been easy to maintain, and in fact, have gone up as parity has advanced. Approximately 10.1 million tons, or 63% of the exports last season, consisted of bread-grain, by which we mean wheat, flour, and rye, while 37% comprised coarse grains, including corn, oats, barley, and grain sorghums. The government figures that clearances during November will be quite large but IWA sales last week ran much smaller for both wheat and flour, and we must assume that there will be additional competition from Canada, although there is not quite the same optimism expressed now about the harvesting of their crop since wet weather may have reduced quality, and in the final analysis may also mean fewer number of bushels.

Some of our friends in Kansas believe that it will take about a week, or by middle of October for western Kansas to get the milo crop to maturity and not be subject to damage from frost. There have been some rather good bookings for storage, which should start moving to market in another ten days or possibly two weeks. One consideration there, as in other parts of the country is that box cars have been short, and this is likely to cut down the movement.

When the visible supply of wheat was posted, there was a slight increase of 77,000 bu. Total stocks in all positions were nearly 207 million bu or 20.3 million bu less than last year. Corn stocks increased 340,000 bu to 29.6 million bu compared with 37.3 million bu last year. Oats decreased 218,000 bu, leaving 29 million bu in all positions or 10 million bu more than the year before. Chicago wheat stocks showed another decrease and are now down to 9.7 million bu. Local corn stocks increased 131,000 bu, while oats decreased 346,000 bu. There was hardly any change in rye but bean stocks improved 452,000 bu here in the city.

Markets were a little easier at one time but there was firmness displayed later in wheat. Corn also rallied this probably being in sympathy with higher prices for beans and the May delivery made a season's high. This is quite surprising during the period of accumulation but shows that artificial factors are at work. Corn was not too much affected considering the weakness in the hog market. The latter was due to increased supplies and there was selling of the nearby positions of lard. Flour business continues to be of small volume although according to The Southwester Miller, most mills have reported extremely slight inquiry with little more than carlot replacements. Foreign aid spending is almost assured by today's Senate action.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 9, 1951

Just before the close of the market yesterday the Foreign Aid Measure was passed by the Senate and sent to the President for signature. It called for nearly $7 1/2 billion spending in the current fiscal year. While this was somewhat less than the President had asked for, it is still a very large amount, and contains a provision that over $5 billion will be used for military aid to western European nations, and over $1 billion in economic assistance. Then, of course, there will be additional funds for Asia, South America,etc., all of which had been more or less expected, but nevertheless it emphasizes again that the Federal expenditures are rolling in snowball fashion, with current outlays at the annual rate of $71.6 billion. In addition we must take into account state and local expenditures, which bring total governmental costs for the present fiscal year to over $92 billion. This sum is equivalent to $2,315 per family, or nearly 4 1/2 times the burden per family in 1939.

It is no wonder under these circumstances that it is so difficult to curb inflation, and a few minor savings here and there will not bring about the desired results. Nor would it help to solve the great problems confronting us at this time. It seems to us that the American people must take a vigorous and courageous stand for national solvency. As Thomas Jefferson pointed out more than a century ago: "We must make our selection between economy and liberty, or profusion and servitude."

When our market opened this morning the carryover feeling was a little bullish, and prices ruled somewhat higher, but it is not so easy now to arouse speculative enthusiasm considering the advances which have taken place, particularly in corn and in beans. It is likewise a fact that while 50 to 75% of the beans have been harvested in many territories throughout Illinois thatthere has been very little pressure yet, and apparently there is a holding tendency on part of farmers, as they have been told on several occasions that in the past they did better by holding supplies back until after the turn of the year.

Warm, dry weather was reported over all three Provinces in Canada, and this is expected to continue. It was likewise clear over most sections of the U.S., and somewhat higher temperatures are in prospect, which, of course, is good for corn and beans in those areas that still have work ahead. As a partial offset there seems to be no improvement in the outlook for Southern Hemisphere crops; if anything, there has been further deterioration, according to Broomhall, shading already unsatisfactory prospects. Australia has had too much rain in some sections, while other areas have experienced dry weather. Argentina has obtained occasional rain in some parts of the country, but no reports of any real relief in areas where reserve moisture has been deficient. The wheat crop needs frequent rains to come through with any semblance of an average yield. There have been no official estimates lately, but trade reports indicate that some further reductions are likely.

The schedule of November exports released yesterday still is indicative of heavy clearances which may take place. The government intimates 44 million bu of wheat and rye to be shipped in that period, together with about 19 million bu of coarse grains and oil seeds. Over half of the November tonnage of wheat and rye is scheduled for India, Germany, Egypt, and Brazil. The preliminary schedule for December is also quite aggressive, though somewhat smaller than for November. The cumulative total of wheat and rye for the period from July through November calls for about 219 million bu, and about 88 million bu of corn, oats, barley, grain sorghums, soybeans and flaxseed.

Wheat primaries were 2.6 million bu compared with 3.1 million bu last week and 2.2 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 200,000 bu.

Trade was not particularly heavy but there seemed to be a little profit taking in corn with hog prices again sharply lower, which, in turn, affected lard prices and there was liquidation in the nearby futures. Flour business was a little better but still not a big volume based on past experience. Possibly some of today's selling was also due to the fact that funds for actual operation of the Foreign Aid Program are still to be provided for in a separate money bill drafted by a House Appropriations Committee. This may only be routine but yet there is no assurance that even if large allocations are provided that the recipients will take as much grain as the government hopes and anticipates. Beans recovered from early losses.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Oct 10, 1951.

While Chicago wheat stocks have been declining a little, we note that the amount in deliverable positions is still 4.1 million bu, or hardly any change during the past week. Included in this quantity is 3.6 million bu No. 2 red wheat, only a slight reduction from the week before. Naturally, when we are dealing with only moderate quantities, and when there is nothing much coming to this market, it poses the question as to whether we are apt to get fairly good carrying charges, particularly at a time when lake boats are difficutt to get, and chances for bringing additional quantities in from the Northwest seem unlikely. Then, there is another factor; namely, one of the mills not in our general shipping territory took a very large quantity of wheat on delivery last September, and while we do not believe that any of this grain has been moved from here, it remains to be seen whether re-tenders will be made, or whether the party actually has use for the wheat and may finally take it to someother location where it might be milled. Our own belief is that there is probably enough wheat here for all purposes, and, therefore, we should not be surprised to see some further weakening of the December contract in relation to the deferred months.

There was nothing special in the overnight news. Weather was mostly clear and we are enjoying Indian summer temperatures, at least during the daytime with the mights rather cool. Weather should be ideal for finishing up harvesting operations in beans, although we are told that in Iowa the work is just about started. It will naturally take longer for corn and later in the day there will be a government report giving some cue as to whether the crop has been reduced below last year's figure. The trade is naturally a little more cautious after the advances which have occurred, and some of the processors either reduced their bids or stepped out of the market temporarily, indicating that some caution should be observed, particularly as beans get close to the $3 level. There was some export business overnight in corn, beans, and sorghums, but apparently not enough to have much effect on early transactions. There is bound to be foreign demand right along but whether it will be as large as the government figures is difficult to tell, despite allocations that undoubtedly will be made now that Foreign Aid is practically assured.

The European Crop Summary by Broomhall is a little more optimistic, and weather conditions recently have been more favorable for the completion of harvesting operations even in the late areas. Soil conditions seem satisfactory for plowing and seeding, but it may take a prolonged spell of good weather to make up for the lateness. There is no improvement in Southern Hemisphere advices, with Australia continuing to stress a wheat crop much below normal, although in the Argentine recent rains, while affording no relief for Cordoba, seem to have been beneficial for some of the other areas. Moreover, pasturage was severely hit, indicating a greater need for feed grains. There has been a slight revision in the Argentine corn crop estimate for 1950-51, the correct figure being 108.6 million bu and not 102.4 million bu as reported last Friday.

Here in this country fair progress is being made with fall planting, and the Kansas weekly report states that seeding was virtually completed in thewestern third of the state during the week. For the state as a whole, 84% of the intended acreage has already been seeded. They have had fairly good moisture in eastern and central sections, with stands generally good in those areas but dry topsoil has delayed germination and growth in some of the western parts. A light rain, however, received in most western counties should prove beneficial. In Nebraska winter wheat seeding has been completed with very few exceptions, with most of it already up and looking very well. The outlook for fall wheat pasture is excellent and the subsoil moisture supply is very good throughout the state.

Primary receipts of wheat were light at 675,000 bu compared with 880,000 bu last week, and 1 1/4 million bu last year. Kansas City and Minneapolis stocks so far this week show a net increase of 242,000 bu.

Trade was extremely dull, but with a little export business and the prospect that the House would act rather quickly on the appropriation measure there seemed to be the feeling that foreign business might expand. Flour business was extremely light, the average of mills being less than 50% of capacity. Corn, however, turned strong on the prospect of a bullish report, and beans while weak at one time, met with some buying support on recessions.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
W YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 11, 1951

After the close of the market yesterday the October crop production report as issued, and the main interest centered in corn and in beans, with slight reductions shown in the yield of both these commodities. The corn estimate of 3,105 million bu was about in line with expectations, but in conjunction with the farm reserve figures that were issued, it is apparent that we have dipped to the extent of about 00 million bu into our accumulation. We will probably do equally as well during the next twelve months, so that one year hence there may be only 600 million bu corn left from previous crops, which in itself would be plenty except the matter of distribution is so important and it is likely that a large percentage will be under government domination. The soybean crop, despite optimistic reports from Illinois, showed a small reduction from the month earlier, and a prospective yield of 271 million bu is anticipated. This compares with 287 million last year and 178.5 million bu in the period 1940-49. It is also figured that while the corn crop was reduced owing to adverse weather that in most areas where corn suffered from freezes inferior or soft corn will be used in the feeding of livestock, and that the proportion of damaged corn in the important districts will be relatively small. September weather varied widely but average temperatures were well below normal in most of the north central states, particularly in the main spring areas and western corn belt. Feed grains totaling nearly 120 million tons will be produced this season. Some of it may be of poor quality and low feeding value, but, nevertheless, the total of the four feed grains and four food grains will be about 152 1/2 million tons, and this amount was exceeded five times in the past nine years but never equalled prior to 1942.

When our market opened this morning there were slight recessions in corn. Wheat was steady and beans were somewhat higher. Sorghums were little changed and production is estimated at 164 million bu compared with 237.4 million a year ago but yet this compares with 118.7 bu for the ten-year average. The principal states are Texas, with nearly 90 million bu raised this season against 148.8 million last year. Oklahoma should raise nearly 14 million bu and Kansas has an estimate slightly larger than last year with a prospect of 42.3 million bu.

Some experts now believe that Australian wheat conditions have improved since the low estimate of 130 million bu was made, and we get this information from Broomhall. Nevertheless there will be very little if any free wheat after the IWA quota for 1951-52 is satisfied. There is 26 million bu less on hand than a year ago, and a small crop in the making, so that with Argentine also subnormal it should mean a greater demand from North America, which could easily be satisfied by Canada if transportation were anywhere near normal.

Overnight weather was quite satisfactory and conditions have become clear in Canada where the crop is now being gathered more satisfactorily and country marketings have been heavy during the past few days. It was also favorable in this country for harvesting of beans and corn, but the big factor is still the quantity that farmers will sell and many are looking for a holding tendency in corn, the same as there has been previously in cotton and in beans. For that reason there seems to be little pressure on any of our markets, and the situation is quite artificial when we consider that the total outturn of all crops is equal to that of 1949, which was the second largest of record.

Primary receipts of wheat amounted to 2,271,000 bu compared with a little over 2 million bu last week, and a holiday last year. Kansas City and Minneapolis stocks so far this week show a net increase of 180,000 bu.

Flour business continued very slow, and according to The Southwestern Miller volume on spring bookings had fallen almost to the same extent as that on hard winters, with a dormant status also on soft wheat flour; it is thought, however, that a setback in price would bring out renewed activity. Corn, in spite of the government report, was quite a little lower, and naturally there are not too many buyers now just before a possible movement, but we have found that the farmers have held back cotton, later soybeans, and now sorghums are not coming forward freely. Therefore, there might be the same holding tendency in corn, in which case it may be difficult to build up stocks in terminal markets. Chicago, of course, is nearly filled with grain but there is still a considerable amount of storage space out in the country. Beans continued to hold reasonably well, and there is some export business working, but quantities up to now have not been big.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 15, 1951

The wheat market has been in quite a rut for some time, but apparently during Saturday's session great strength developed on realization that Southern Hemisphere crops would be much smaller than last year, and that consequently the demand for our product would undoubtedly increase. This is not all for we have mentioned on many occasions that transportation difficulties in Canada would make it impossible to export as much as should be shipped when big crops have been harvested. Present weather is not altogether satisfactory either, following a long spell of excessive rains. Chances are that there will be some snows in Canada and a sharp drop in temperature so that while a fair percentage of the crop has been harvested it still leaves some wheat in the field which may be difficult to gather without interference to quality. France, which exported more than 30 million bu wheat and flour in each of the past two seasons did not have the best of results this summer, and this must also be taken into account for while the quantity of surplus has never been a burden it could easily shift additional demand to the U. S. This is particularly true because of the fact that North African crops have also turned out somewhat less than previously expected, and the same may also have occurred in some of the other French official possessions. The only offset to that is that a previous large harvest with some holding back of grain may make additional stocks available during the current season. According to Broomhall, 100,000 tons wheat may be exported from Pakistan after providing for the needs of the Indian contract, and there may be a little wheat from Syria. Nobody knows to what extent shipments from the USSR may take place, but after all the Soviet group has had a bountiful harvest. For the first time since the war 200,000 tons Russian wheat, are included in the annual British contract, and offers have been made also to other countries. As that authority points out, if Russia is in position to supply substantial quantities wheat to Western Europe this season, the chances for a successful conclusion to the Geneva Conference of the European Council on East-West Trade would be considerably enhanced. Irrespective of what we have just mentioned, the great bulk of exports will have to come from North America, and it is to be hoped that larger quantities will be available from Canada despite shipping difficulties, so that we cannot be altogether certain that our proportion will be as large as it was a year ago. Despite somewhat smaller crops in Europe, Broomhall estimates that world shipments will not come up to those of last season, and while he makes no positive statements he feels that both the U.S.A. and Canada will each furnish about 300 million bu, and possibly 60 million from the Soviet groups.

When our market opened this morning the carryover feeling was somewhat bullish, and there were advances all around. There was not much country selling of soybeans over the week-end, and apparently there is a holding tendency and also the possibility that now more wheat may go into the loan even with higher prices in the open market. Trade is also looking for about 3 3/4 million bu wheat to be sold shortly in Spain, which would mean the removal of hedges from the pit.

Farm deliveries in Canada have been expanding and during the past week 26.8 million bu came forward, while for the season 87.2 million bu was involved, but this was down from 134 million a year ago, indicating that weather has been a severe handicap.

The visible supply of wheat showed an increase of 829,000 bu, corn increased 106,000 bu, while oat stocks improved 917,000 bu, and beans increased over 2 million bu. Here in Chicago we had very little change in wheat--still 9 3/4 million bu held, corn stocks locally decreased to less than 8 1/2 million bu, and oat stocks got down to 11 million bu, with not much change in rye. Chicago stocks of beans increased 615,000 bu, and now total 1.4 million bu.

A moderate amount of flour was sold over the week-end, although activity was not too great, yet we did hear of some hedges being taken out of our market, and the same at Minneapolis. IWA sales last week were the second smallest of the season, but a good many people still feel that the business for the entire crop year will be large due to small crops in Southern Hemisphere countries. Wheat prices remain quite firm, and corn also advanced, with pressure from the country still light.

Beans were very strong, and apparently there is a holding tendency on part of farmers, but there seems to be a little hesitancy on part of investment buyers after the recent advances we have had.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements or fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
HICAGO BOARD OF TRADE
NE YORK PRODUCE EXCHANGE
W YORK COCOA EXCHANGE
YORK COFFEE AND SUGAR EX.
MMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 16, 1951

Markets have been quite strong during the past week or so on the possi-
bility of expanded exports, and in fact, some of this is already beginning to show up
in wheat, probably due to deterioration which has befallen Southern Hemisphere
crops. Also, the fact that gradually Europe, and the Continent in particular, will have
to start building up reserves again as native supplies go into consumption.

Broomhall points out some rather interesting studies on thirteen Continen-
tal countries, but, of course, these are not complete because he has no way of getting
data and statistics from the Iron Curtain countries, including Yugoslavia and Western
Germany. Nevertheless, the wheat acreages of 38.5 million show a reduction of more
than 3 million acres since pre-war times, and the biggest losses have been in France
where recently 2 million less acres were sown and a million less in Italy. There
have been some increases in other countries offset by declines elsewhere, but appar-
ently the fact that we are willing either to give wheat on easy terms or subsidize it
has removed some of the initiative to increase the amount of land under cultivation,
insofar as European farmers are concerned, although in some cases with better
fertilizer and better seed they have done a fairly good job in producing a greater num-
ber of bushels per acre. For example, the average increase of wheat yields in
France is 3 1/2 bu, in Belgium 10 bu, Holland 8 1/2 bu, and in Denmark 7 1/2 bu.
The point is that, despite these very considerable gains in yield, the acreage decrease
is delaying progress of Continental wheat cultivation, and, therefore, the import needs
remain as large, or larger, than they were before the war. In these calculations no
account is taken either of any increases in population. The lack of progress in wheat
cannot be attributed to any increases in the major coarse grain crops and we find
rye, oats, and corn acreages are likewise smaller than they were prior to 1939. It
is true that barley production has gone ahead but not sufficiently to offset reduced
sowings of other secondary grain crops. One would think that the chaotic conditions
caused by the war would have been sufficiently overcome by now so more land would
be under cultivation, but this has not been the case.

When our market opened this morning the carryover feeling from yester-
day was a little bullish. Overnight offerings of beans were not impressive and there
seemed to be a little buying in the various pits, with hardly any pressure from first
hands. The fact that there was some flour business also took hedges out of the pit,
and we had further advances all around.

France bought a cargo of wheat from the Danube, apparently for shipment
to Germany under her obligation to supply 1,400,000 bu outside her IWA contract.
Apparently France is beginning to feel the effects of a smaller crop than was raised
either last year or the year before; therefore, to fill her export obligations has to
seek outside sources.

According to the Southwestern Miller there were new inquiries for hard
wheat flour with The Netherlands as the destination, clearance by January; likewise
Portuguese East Africa is due to buy 2,000 tons flour in the near future. All this
suggests that final clearances may be somewhat larger than had been earlier antici-
pated, and this seems to be the basis for greater firmness in the market, particu-
larly as it comes in conjunction with the holding tendency on part of farmers and
some people are already anticipating that there will be no burdensome selling of corn
any more than there had been of cotton, beans, or milo.

Primary receipts of wheat were quite large and amounted to over 3 mil-
lion bu compared with 2.6 million last week and 2.3 million last year. Kansas City
and Minneapolis stocks so far this week show a net increase of 22,000 bu.

As the session progressed, there was considerable buying in all pits.
There must have been quite a little flour business with mills lifting hedges and this
gave us a very firm undertone. Corn lagged for a time but later improved particu-
larly with the great strength of soybeans. The latter were influenced by much high-
er prices for both meal and oil and apparently the processors are finding a satis-
factory conversion profit. Beans sold at the $3 mark and new highs were made for
several deliveries; in fact, season's h ighs were scored for a number of grains
other than beans. We heard that one of the processors had bought some beans at
Chicago that will probably be moved out. November delivery gained sharply on the
deferred months, and it is doubtful now whether there will be much tendered on
November contracts unless the country sells much more freely. It is this holding
tendency on part of producers that is largely responsible for the general strength
in all grains.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources
believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement
nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 17, 1951

This is the time of the year when ordinarily corn starts moving in volume, but, of course, the trade has been somewhat upset in its calculations, owing to the act that there has been such a tremendous holding policy on part of the farmer. We eally never had a big movement of beans or milo; in fact, even cotton, which sold considerably over the loan, was held back or impounded. Therefore, it remains to be seen whether a commodity that is somewhat more perishable will be affected the same way. Corn prices were a little reluctant yesterday when other grains were so strong, but with practically all commodities higher there was finally enough buying to bring about partial advances.

Late yesterday the House voted down the compromise tax bill, and it now remains to be seen whether we are going to have a tax bill at all before Congress adjourns. Apparently many who voted against the measure figured that when they face their constituents they would have difficulties in explaining why expenses were not cut at a time when the tax load was the greatest in our history, even surpassing that during World War II. We often hear the argument that government should be run like business, Certainly it is no sin to express some opposition to various policies which have been introduced; otherwise if people are forbidden to disagree with the Administration we would finally set up a dictatorship in this country. That, of course, does not mean that anyone should advocate antagonism to the government in power, because there should be the fullest possible cooperation, but when it comes to upholding certain principles for which this country has always stood, no upright person elected to public office can surrender on grounds of amiability.

The carryover feeling from yesterday was quite bullish. However, the bean processors had reduced their bids in the country; consequently, overnight purchases were not too big, although some hedges were placed this morning at a price below the previous close. Corn was also weak probably for the reason that profit-taking set in, and it is altogether possible that we could have some hedging pressure during the next few weeks.

Weather was somewhat better Southwest, with rains reported over portions of western Nebraska and the Texas Panhandle; East of the Mississippi it was mostly fair, and not much rain occurred over the corn belt, although it is still wet in Canada, and we would construe conditions up there as somewhat unfavorable, as there are a good many places that have had an inch of snow on the ground. Thus harvesting operations cannot now be completed.

While the cash demand for wheat is pretty well maintained, it still looks as though there would be some deliveries in our market when December tenders are due; the same is undoubtedly true in outside markets, also. Therefore, we see a good chance for carrying charges to widen again even though Portugal took two cargoes of red wheat yesterday below Chicago price level. The price was not particularly good, and there may have been some foreign exchange involved. Also, it is likely that Germany will be in the market for soft wheat later in the week, but yet we see no assurance that Chicago stocks will be radically cut in the foreseeable future. At the moment there is more than 4 million bu in deliverable positions, of which 3 1/2 million bu, or more, comprise #2 red wheat.

Broomhall's Foreign Crop Summary spoke of favorable conditions for movement and conditioning of grains, although rains are needed for some areas for plowing and seeding of fall grains. However, most sections state that soil moisture was quite abundant as a result of frequent rains during the harvesting season. The bad feature is still the Southern Hemisphere, and the Argentine Minister of Agriculture has verified pessimistic private reports, with a good deal of wheat lost in Cordoba and northern Santa Fe. Australian weather turned a little more favorable, and some improvement in prospects has been noted, but it still will be a much smaller outturn than last season even if good weather continues.

Primary receipts were smaller, but not much attention was paid to statistics. Most of the milling business had its influence during the first hour or so of trade. Later reactions set in particularly when beans developed some weakness on rather scattered profit-taking. The bean harvest in this state is about 85% completed, while corn in Illinois has natured well, but moisture content of most corn is still too high for safe cribbing. The harvest should be in full swing in the next two weeks. There were some rains reported over central Kansas, and this, together with the sharp advances of late, was cause for moderate setbacks.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 18, 1951

Weather in Canada continues bad; besides being cold it has been quite wet up there. Snow is reported over certain sections, and, of course, this interferes with harvesting operations that are still not completed. Therefore, one must reserve ideas as to the final quality of the crop, although in no case will it be as bad as last year when an early frost befell the crop, thus making a large percentage of the wheat unfit for human usage. There were also light snows with unusually cold weather in parts of Montana and the Dakotas, but there the situation is not as bad as most of the wheat has already been harvested. It is the Canadian situation that causes some concern, particularly at a time when Southern Hemisphere crops have turned out worse than ordinarily, also with reduced acreages, all of which brings up the possibility that we may do a large business during the last half of the crop-year following heavy clearances that have already been made.

During the past week Broomhall figures that 6 1/4 million bu wheat and flour was shipped from this country, which brings the total to 119 1/2 million bu from the beginning of July and compares with 58 1/4 million a year ago. Of course, we had the market pretty much to ourselves at the start because the remaining supplies in Canada before new wheat was available were not offered heavily, and as a matter of fact, there was a limited amount of good wheat left in that country. From now on there is bound to be stiffer competition, and we find that there is some reduction in the amount going out but yet with our Foreign Aid Program we still may bring the total to a larger quantity than had earlier been anticipated. It was reported that the U. K. bought some Manitoba wheat overnight, while in this country there must have been a little more flour business, as mills bought futures, but not on the heavy scale we have witnessed recently. Of the 82 1/2 million bu wheat exported by Argentina since last January, 27 million bu went to Brazil, 17 1/4 million to India, and 15 1/2 million bu to Italy. Next in size was Germany, receiving 4 1/2 million bu, while the balance went to scattered countries. France, however, took 4 million bu corn of the 6 3/4 million bu shipped. This relieved to some extent the demand from here. The USDA announced that 75,000 tons coarse grain would be earmarked for export to the U. K. during November-December in addition to 150,000 tons previously announced; also, 50,000 tons wheat with none previously earmarked. Belgium apparently is to receive 10,000 tons soybeans, all indicating what is possible under the program.

The government tells us that on October 1st there were 2% more cattle on feed than last season, in three larger states, increases showing up for Iowa and Nebraska, whereas Illinois had a sharp decrease. Cattle feeders intend to market 71% of the cattle now on feed by end of the year, and the intention is that they will be marketed at a uniform rate. If this program is carried out under present plans, marketings for the latter part of the October-December period should exceed last year's pace.

Primary receipts of wheat were a little larger today and amounted to 2,116,000 bu compared with 2,271,000 bu last week and slightly less than 2 million bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 324,000 bu.

While beans opened somewhat higher, other grains were somewhat indifferent and there was some hesitation but not for long. Finally, when greater allocations were announced wheat and corn had sharp upturns, and in fact, some futures made seasonal highs with pressure from the country very light. There was also a little further flour business which took hedges out of the market but the new business is apparently on a much smaller scale. The corn-hog ratio was 11.3% compared with 11.8% last week and 12.7% last year. There must have been a considerable amount of short covering all around.

It was reported that Belgium is inquiring for some Canadian oats, and also, some beans from here were allocated to Belgium. This, together with the stronger meal market, was regarded as bullish although there was some profit-taking when the deferred futures of beans went to over the $3 price.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 19, 1951

Carlot receipts of wheat in the Northwest keep up pretty well compared with last year but still there is no pressure except that the Minneapolis market is running at a large discount under Chicago, but yet not enough to bring any wheat to our market. The recent advance in freight rates makes it necessary for the spread between there and here to go considerably wider than in years past in order to attract shipments, although, of course, if boats were available it would be quite a different story but it seems that as long as ore is being carried in such great volume for the war effort, it is difficult to ship much grain, and thus we may possibly have an artificial situation as compared with other years.

There was some business overnight to Germany, including some #2 red garlicky wheat in the East; the price was quite cheap but this always brings up the question as to what will finally happen to our Chicago stocks since we have only about 4 million bu contract wheat here, the bulk of which is soft varieties and there is not much coming in from local territories. For that reason some of the hedgers have covered December contracts and gone into the more deferred deliveries, but with interest rates having advanced again we doubt whether any of the elevators will want to carry wheat when they can probably do better in other commodities, with nearly a 5¢ carrying charge in corn, plus the fact that if there is a movement of any consequence they will probably be able to buy their supplies at a discount under December. We have referred frequently to bad weather in Canada, which does not seem to improve very much, but on the other hand there seem to be fairly heavy marketings of grain each day, the volume amounting to some 9 to 10 million bu, including coarse grains. This shows rather conclusively that the weather has not been bad in all sections at all times, but apparently some progress is being made in harvesting of wheat, oats, and barley, and actually we understand that the marketings will remain substantial in spite of the weather, as in some districts there are large quantities of grain lying on the ground still awaiting space for storage. There are so many artificial factors surrounding our market that it is not easy to have strong convictions. Some people believe that while there has been a tendency to hold grains back this situation may change after the 1st of the year due to income tax reasons. Others feel that we may not get our breaks until spring, but, of course, it is difficult to say, particularly as the government is pushing exports with great vigor, and gradually we are bound to eat into our accumulations. Were it not for the large reserves of corn held by the government that situation might be quite different, but it has taken a great deal of weight off the market, and in a political year nobody can be sure what further steps may be taken.

According to Broomhall, Great Britain is very busy electioneering and one important issue will be bulk buying of food by the United Kingdom. That country is the largest single buyer in the world today. The selling monopolies have thus far had the advantage with Argentine and Australian Grain Boards extracting the highest possible price for their exports, but still not permitting the farmers to get the full return, which has resulted in reduced acreages, and many farmers have switched to the production of meat, which apparently has paid better returns. The dollar countrie of Canada and the U.S. have likewise held at the maxima levels, even adding surcharges, which has made it doubly difficult for many European nations to find the necessary dollars to finance full imports.

Primary receipts of wheat were 1,806,000 bu, there was a holiday last week, and a year ago they were just slightly larger than today. Kansas City and Minneapolis stocks so far this week show a net decrease of 370,000 bu. When the visible supply is posted on Monday, it will compare with an increase last year of 542,000 bu.

Today's market was rather quiet at first and prices reacted slightly, but the nearby future of wheat gained when export business was reported, and some hedges were lifted. Flour sales fell off materially overnight, and there is some resistance; apparently on the advance there was some profit-taking, but we believe there is more public participation on part of speculators, and this has had quite a little to do with the recent upturn.

Meal prices were very strong again, which probably encouraged processor demand for November beans; although the bean market was hesitant for a while it finally gained strength and closed higher. This for a time influenced corn and other cereals, and there seems to be very little pressure from any source.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 10/22/51

Korean truce talks are expected to be resumed Tuesday or Wednesday after a two months' break, and apparently a new sight for the negotiations has been tentatively accepted by both parties. United Nations and Communist liaison officers completed the arrangements by signing an eight-point security pact today. From that point of view this was regarded as a more hopeful omen, although it was offset somewhat by news from Cairo and several incidents had occurred in Egypt, with apparently British warships guarding both ends of the Suez Canal, and the British Navy moving in in an effort to avoid any further serious trouble,

Our market opened somewhat lower this morning but was influenced also by some moisture in the Southwest. The precipitation extended also over parts of the corn belt, and was quite heavy in some parts of Iowa, but apparently clearing conditions are setting in, but rain coming at this time is extremely helpful in the winter wheat districts where much seeding has been accomplished, particularly in Oklahoma and Texas under extremely dry conditions. The holding tendency in grain is still a most important factor, and the same situation prevails to some extent in Canada, but for different reasons. It seems that due to poor transportation and the many problems associated in the movement of a big crop priority and allocations are being used before grain can be moved from the country to terminal points. As a result all deliveries of oats and barley have recently established seasonal highs in Canada, plus the fact that there was general buying in the Winnipeg market stimulated by bad weather in Western Canada. Continuing snow was experienced over large areas of Alberta and Saskatchewan and even extended into Manitoba, with as much as 16 inches of snow reported at some points. It will probably take a week of favorable weather before harvesting can be resumed in Southern Alberta and in many parts of Saskatchewan. As a result marketings have fallen off but some of the small loadings of coarse grains are directly due to the government's policy of giving priority to wheat.

We heard of some export business overnight in Manitobas, with the U. K. as the destination, also some Gulf and spring wheat and the U. K. bought 2 ½ cargoes of corn from this country, which took hedges out of the pit but after this buying had been satisfied markets reacted and, of course, the recent advances have carried prices to a point at which there is some hesitation. There is no burdensome pressure from any source. Southwest receipts are just about enough to take care of current milling requirements, with 253 cars wheat received today at Kansas City compared with 292 last year and Fort Worth received only 29, although a year ago there were only 30 when the state of Texas likewise had a small crop. There is a little better movement now of milo but even that cereal is being held and, of course, the crop is quite a little smaller than the one of last year. In Minneapolis carlot receipts of wheat are now running slightly less than a year ago, and the same is true in Duluth, despite the fact that the spring wheat crop turned out better. So with no great pressure and apparently little chance of spring wheat working toward Chicago, we find no acute weakness, and as a matter of fact sentiment all around still leans to the constructive side of the market at least on recessions.

Buying of corn for export seemed to steady that grain, as there was a considerable amount taken out of the pit. The U. K. recently had been given somewhat large coarse grain and wheat allocations, and inasmuch as they started operating on these today it would seem likely that more buying might come from them. German last week, had bought part of their advertised amount, and there is a possibility that they might buy more overnight. Even though the stock market was weak because of the Korean news, it steadied somewhat,, and the probable grain export business also helped grains late in the session.

We had a rather sizeable decrease in the wheat visible supply, with a 5 1/4 million bu reduction; this covered many cities -- in fact, there were only three points showing increases -- the largest being about 700,000 bu on the Lakes. The visible now is 202 1/2 million bu or 26 1/4 million bu less than a year ago at this time. Chicago wheat stocks decreased about 300,000 bu, but we still have nearly 9 1/2 million bu here. Corn stocks decreased about the same as wheat, and oats decreased 414,000 bu, but both those grains had increases elsewhere so that finally the oats visible for all points was a net decrease of only 32,000 bu, and corn an increase of nearly 1 1/2 million bu. Soybean visible stocks are increasing seasonally with 2 1/2 million bu more in the stocks over a week ago to a total of about 6 million bu, or almost within 1/2 million bu of last year.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
W YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 23, 1951

While the Communists have made some changes in their truce delegation, they have not as yet given the go-ahead signal for renewing Armistice talks in Korea. The Red Chinese Peiping radio quoted the Premier as saying: "China must continue to resist America and assist the Korean movement until the United States accepts Red peace proposals," but he added, "Korean Armistice negotiations will be a success if America takes a rational stand in the truce talks." Meanwhile Vice Admiral C. Turner Joy, the top Allied negotiator, signed the new ground rules yester day, and has asked the North Koreans to act quickly so negotiations could be resumed promptly after the two months' interruption.

Broomhall states that reports from Australia were slightly more favorable for wheat due to improved weather conditions, and now places preliminary yields at 145 million bu, which is an improvement of 15 million bu and compares with a final outturn of about 183 million last year. The same source further reports that recent rains have benefited crops in the Argentine but that country's role in the export market in 1952 appears destined to be relatively minor. The Monsoon period in India has passed without providing sufficient moisture to plant wheat, and as a rule no large rainfall is now likely until next June, making a rather serious crop outlook for that country. All in all it appears as though importing countries will have to depend to a greater extent on North America for their requirements.

Weather conditions in our own Northwest and in Canada are causing lots of low-grade wheat and some may have to stand in fields all winter, particularly in Canada, due to early snows. However, this does not necessarily mean that the wheat will be too low a grade for milling purposes. Canadian inspections for the week of October 12th to 18th, amounted to 6,700 cars, of which approximately 2,200 cars were No. 3 Northern or better, while 3,120 cars graded tough and damp. However, the U. K. is buying 3's, 4's, and tough 3's from Canada. It is reported that England bought 2 cargoes of U. S. hard wheat, 1 cargo of corn, and about 480,000 bu Canadian 2's, 3's, and 4's, as mentioned above. Germany is presumed to have purchased a cargo of gulf wheat, some red wheat and also some milo. India since the week end has purchased 5 cargoes white wheat from the West Coast. Premiums on good quality cash wheat in this country show a firm to strong tone with possible indications of further upturns.

According to the figures of USDA, the U. S. started the season with a total crop and carryover of 1,388.6 million bu. Allowing a year's consumption of 218 million for seed and feed, it would leave a total of 1,170.6 million for milling, export, and carryover. The disappearance from July through September 30th totaled 130 million milled for flour, 98.4 million for export, or a total of 228.4 million, leaving a balance as of October 1st of 942.2 million, or 133 million less than the same date last year. Exports ran at a rather heavy pace for the past three months, and it is fair to assume that this pace might slacken somewhat during the balance of the crop-year, with more emphasis on exports from Canada.

The five-day forecast suggests about normal temperatures for Nebraska, Kansas and Oklahoma, with scattered showers in Nebraska Wednesday and elsewhere about Thursday over most of the area, also again on Saturday or Sunday. For the corn belt, Illinois and Indiana temperatures will run about normal with some showers Saturday or Sunday, while Iowa will have slightly below normal temperatures with precipitation of 1/4 to 1/2 inch.

Primary receipts of wheat today totaled 2,095,000 bu vs 3,039,000 bu a week ago and 2,039,000 on the comparable day last year. So far this week, Kansas City and Minneapolis stocks of wheat show a net decrease of 95,000 bu.

According to The Southwestern Miller, new flour business continues small and export volume is relatively slack. There was very little feature to our markets today except the further narrowing of the difference between December and May wheat notwithstanding that the demand for Chicago red wheat is very poor and that the soft wheat East is selling considerably cheaper. One of the main factors finally will be the disposition of the wheat that was taken on September contracts.

From information which we have received from certain sections of Illinois, the farmers' bins are full of beans, and while there is no disposition so far to dispose of same at some price somewhere along the season these beans will no doubt come upon the market.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 24, 1951.

There have been several factors during the past few weeks that have given strength to our market. Of course, the holding tendency on part of farmers has been so pronounced, and there has been every encouragement from the government to hold supplies back, or at least from the market, that the loan has been much more effective than in other years. In the soybean market light selling has been experienced, even though values were much higher than couldhave been obtained by taking the loan. In addition to all this, export business has probably been helped through the Foreign Aid program and deterioration in Southern Hemisphere crops so that even with a little more wheat likely to be raised in Australia than had been regarded possible ten days ago, it still means that the major demand will be for North American supplies.

Here lately there has been more talk of possible deterioration to Canadian wheat owing to the fact that weather had been adverse and undoubtedly they had a very bad break, but opinions differ as to how much harm will finally be established even though snows have occurred much earlier than usual. There is no precise precedent for what has taken place during the past month or so, although we have seen years before when Canadian wheat stood out in the fields all during the winter months and could not be harvested until spring. The Province most adversely affected was Alberta, and ordinarily snow amounting to an inch or two would not interfere too much with fall work but many have pointed out that they had more than a foot of snow, and that consequently quality of such wheat might be seriously affected. One of our good friends who has spent a good part of his life in Canada called our attention to the possibility of a chinook developing even this late in the season, and there have been many such occasions where wheat thus was bleached, but with no harm to the milling quality and probably no loss of bushels.

There was further tightness today in the nearby deliveries, and, of course, hedgers have become frightened that the narrowing process which started some time ago but was accentuated yesterday, might continue. In Chicago much will depend on the disposition of red wheat and whether one of the former takers may re-tender in December. There are many advantages for longs in changing over to Kansas City and Minneapolis at present discounts, and, furthermore, the demand for soft wheat is rather limited in this area except to a few of the mills who require only small quantities to take care of milling needs. We figure that the recent export sales when translated back to Chiago have been on basis of an 8¢ a bu discount, so that obviously nothing at the moment is workable for shipment via the Atlantic if purchased here, although if eastern stocks were cleaned up that condition might alter later on. The noticeable buying in December wheat comes from local professionals, also coming together with some hedging in May wheat has been responsible for narrowing the spread.

Rather heavy rainfall was reported over parts of the corn belt with an inch or more in many sections east of the Mississippi River. There was not any precipitation of consequence in the Southwest and while fall conditions are reported to be quite favorable over most of Kansas, we believe it is still dry in Oklahoma and Texas, and there may be some complaints from those sections unless relief comes before the winter freezes.

Primary receipts of wheat were 831,000 bu compared with 751,000 bu last week, and 1,254,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 317,000 bu.

Markets showed a little hesitancy at the beginning of trade but later firmed up. At times, there was some selling of May wheat but it is pretty well established now that pressure from the Southern Hemisphere is going to be light and there was a report today by the Department of Agriculture calling attention to the possibility of a very small wheat yield in the Argentine, probably not more than 145 million bu, which would compare with more than 213 million bu last year and 235 million bu the average in the 1940-44 period. Acreages have been smaller now for some time and producers are discouraged because of relatively low prices. It was also stated that preparation of land for corn had been held up by dry conditions although some final expansion in acreage is expected. However, the acreage sown to all grains will probably be about 6 million less than last year or a reduction of about 30%. All this suggests, as we have mentioned before, that final exports from the U.S. will be larger than had been anticipated earlier in the season.

Beans were quite strong but did not retain the full advance. Meal prices were firmer again. Flour business is slower and apparently the trade is unwilling

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

CHICAGO, October 24, 1951.

[illegible] there have been several factors during the past few weeks that have given [illegible] Of course, the holding tendency on part of farmers has [illegible] and there has been every encouragement from the government [illegible] at least from the market, that the farmer has been much [illegible] than in other years. In the soybean market this feeling has been [illegible] even though values were much higher than could have been obtained by [illegible] loan. In addition to all this, export business has probably been only [illegible] Foreign Aid program, and deterioration in Southern Hemisphere crops [illegible] with a little more wheat likely to be raised in Australia than had seemed [illegible] possible ten days ago, it still means that the major demand will be for [illegible]

Here lately there has [illegible] talk of possible deterioration to Canadian [illegible] in the crop. The weather had been adverse and undoubtedly beyond a [illegible] break, but opinions differ as to how much harm will finally be established [illegible] snows have occurred much earlier than usual. There is no precise [illegible] for what has taken place during the past month or so, although [illegible] when weather [illegible] wheat stood out in the fields [illegible] and some not [illegible] The Province [illegible]

[illegible] much will [illegible] but many have pointed out that there [illegible] than

[illegible] to the possibility of a chinook developing over this late in the season. [illegible] have been many such occasions where wheat thus was [illegible] with [illegible] to the milling quality and probably no loss of grain.

[illegible] become [illegible] that the narrowing process which started [illegible] but was accentuated yesterday, might continue. In Chicago [illegible] the disposition of red wheat and whether one of the [illegible]

[illegible] spots at present discounts, and, furthermore, the demand [illegible] wheat is rather limited in this area except to a few [illegible] mills [illegible] small quantities to take care of milling needs. We figure that the [illegible] when translated back to Chicago have been on basis of [illegible] obviously nothing at the moment is workable for [illegible] although eastern stocks were cleaned up [illegible] later on. The noticeable buying in December wheat comes from [illegible] sionals, also coming together with some hedging in May wheat has been responsible for narrowing the spread.

Rather heavy rainfall was reported over parts of the corn belt with [illegible] or more in many sections east of the Mississippi River. There was not any precipitation of consequence in the Southwest and while fall conditions are reported to be quite favorable over most of Kansas, we believe it is still dry [illegible] and there may be some complaints from these sections unless [illegible] the winter [illegible]

Primary receipts of wheat were 831,000 bu compared with 753,000 bu [illegible] and 1,254,000 bu last year. Kansas City and Minneapolis [illegible] a total decrease of 317,000 bu.

Markets showed a little hesitancy at the beginning of trade but later firmed [illegible]

[illegible] pressure from the Southern Hemisphere is going to be light and there was [illegible] by the Department of Agriculture calling attention to the possibility [illegible] very small wheat yield in the Argentine, probably not more than 145 million bu [illegible] would compare with more than 213 million bu last year [illegible] the [illegible] period. Acreages have been smaller now for some time and [illegible] because of relatively low prices. It was also stated [illegible] had been held up by dry conditions [illegible] expected. However, the acreage sown to [illegible] will [illegible] less than last year or a reduction of [illegible] ore, that final exports from the U.S. will be

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
W YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 25, 1951.

Food production in the U.S. is being maintained at a very high level, and while the population increases yearly at an unprecedented rate, it is also a fact that the civilian per capita consumption is much greater now than ever before, and runs about 11% above prewar, so that together with sharp increases in exports it is necessary to raise many more bushels wheat, corn, beans, and in fact, more of all foodstuffs in order to have enough to go around. Thus, the question of surpluses is no longer bothersome, as long as exports continue high, and the government has done everything in its power to encourage increased acreage and more production. The number of livestock except for the war period is the highest we have ever seen it and when people are gainfully employed, earning satisfactory wages, they naturally eat more meat, which in itself is an item because it takes 7 pounds grain and forage to produce a pound of meat. Our food exports in the season just calosed were 19.4 million tons, the second largest since World War II, and this is about 4 1/2 times the prewar average annual rate,

In view of all this it is surprising that the acreage of corn has gradually decreased, and as a matter of fact it was not so long ago that we used to figure that 100 million acres was about normal for this country, but, surprisingly enough, as bean acreage expanded it was largely offset by smaller corn plantings. Were it not for the fact that we have learned so much about hybrid seed and farming technique, we would have had a very sorry picture, and probably would have been a net importer rather than an exporter of grains. In the ten-year period, 1939-48, the harvested corn acreage was 88 million, while the bean acreage was 8.7 million, or a total of nearly 97 million acres. In 1951, our harvested corn acreage had dropped to 84.5 million, while soybean acreage had been increased to 13.1 million, or a total of 97.6 million, indicating clearly that the two crops together have a certain relationship, and in commercial areas whatever additional land has been put into beans has been at the expense of corn. Thus, the government has quite a problem on its hands in order to find ways and means of opening up new lands, if we want to continue to increase our population as we have been doing and stay in the export markets. It is apparent that price alone has not been the sole answer and even with the high values presently obtained for both corn and beans, total acreage for these two commodities are hardly larger now than they were ten or twelve years ago.

When our market opened this morning, soybeans startedhigher, influenced by a further advance in soybean meal prices. The latter has been a great surprise to many p eople because it was generally figured that with the tremendous cotton crop the demand for soybean meal would be smaller than it was a year ago, as naturally there is more cottonseed meal available, and even with large exports of cotton, the cottonseed is extracted and thus that portion not exported can be counted on for home usage.

Exports of foodstuffs at the present time amount to about 14% of the quantity of our total distribution, which compares with 12% last year and 16% two years ago. In wheat the percentage runs higher because with nearly 10 million tons shipped, or more than 365 million bu, this was 22% larger than in 1949-50, but yet the second smallest since the end of World War II. Most of the increase in shipments over the year before was to the U.K., and India and Yugoslavia, whose crops were sharply reduced by drought. Of course, Canada, which has always been an important source of wheat and flour for Britain and other countries, had a poor quality crop in 1950 because of extensive frost and thus we were able to do more than would have otherwise been possible. Exports of other grains and grain products totaled 6 million tons on basis of grain equivalent, which was 40% larger than the year before and the heaviest since World War II. The additional amounts cleared, like in wheat, were the result of bigger takings by the U. K., India, and Yugoslavia.

Primary receipts of 1.6 million bu were a little smaller than last year and compared with 2.1 million bu last week, Kansas City and Minneapolis stocks so far this week show a total decrease of 537,000 bu.

In export circles it was reported that Germany had completed her buying from this country and had withdrawn from the market. Great Britain seems to have finished here and is now buying Canadian wheat again from day to day. Holland bought 4,000 tons of soybeans which helped our market, as did higher meal prices. Corn was very firm, mostly due to the feeling that feeding will be a big factor this year. There was not much feature in wheat, but the December future continued strong, and there is very little pressure from any source, although flour business is again extremely light.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 26, 1951

After the close of the market yesterday, the Bureau of Agricultural Economics gave stocks of various grains on hand as of October 1st, showing nearly 127 million bu wheat stored in various positions, which is quite a little smaller than the 1,207 million bu a year earlier, but yet there is about as much on hand as for the ten-year average in the years 1941-50. Rye stocks of 22.3 million bu are near the average for October 1st of the last seven years. Probably of greater importance was the fact that, despite somewhat heavier imports of wheat during the quarter, our domestic disappearance was quite a little smaller, and we figure that after making allowance for possible exports, 155 million bu was consumed during this period for home usage compared with 195 million bu the year before, and 192 million bu domestic disappearance two years ago. The reserve stocks of corn, and in fact, the carryover stocks at the end of the season, were given at 746 million bu compared with 860 million bu in 1950. Forgetting the last two years the reserve stocks are larger than in any of the other six years of record. However, there is a large percentage of the crop tied up in the government stock, and about 315 million bu is said to be owned by CCC in their own storage facilities, which is more than on any previous October 1st. Despite the large number of animals that are being fed, corn disappearance for the quarter was somewhat disappointing, with 524 million bu consumed since last July compared with 562 million bu the year before.

The trade did not pay much attention to these factors, and when our market opened prices were generally firm, indicating a bullish sentiment probably due to the holding tendency on part of farmers, and the fact that not much corn is expected to move from first hands, considering that we have raised another crop in excess of 3 billion bu. Sorghum grain stocks of 38 million bu are the second largest of record, exceeded only by the 60 million bu carryover of last year, However, the crop yields are expected to be considerably short of what had been raised during 1950 and with the holding tendency and fair exports, there seems to be a rather firm trend for that commodity, particularly since milo is fairly cheap compared with corn. The oat stocks of 1,225 million bu were nearly as much as those of a year ago, and slightly above average for the eight previous years of record. Of the total only 82 million bu was in off-farm positions, but this is near the usual proportion. As a partial offset barley stocks of 264 million bu were considerably smaller than the 302 million bu on hand last season but yet were near the eight-year average since records have been kept. The quantity in all farm positions was 95 million bu, or a larger quantity than in most previous years.

There were some light showers over portions of Iowa, Missouri, Nebraska, and Oklahoma, but rainfall as a whole was not important. However, temperatures have fallen decidedly over the Northwest, yet it continues rather mild East of the Mississippi River. It is quite likely that showers will occur tonight and Saturday over southwestern areas, which, of course, would be beneficial as a good deal of wheat was seeded under dry soil conditions.

A report was circulated to the effect that Austria might buy sizeable quantities of corn and milo in the next few days. This probably had some influence in giving us higher prices at the start. Moreover, cash premiums for wheat continue firm to strong, and there seems to be no pressure of any consequence. The Wall Street Journal carries an article this morning that this year's pig crop of almost 106 million is the largest for any peacetime period, and is only second to the 1943 era. As a result of fairly heavy marketings the hog price has shown a marked decline and the corn-hog ratio is not as favorable as we have seen it in other years. Yesterday's pig price showed a top of $ 19.75 per cwt, which is the lowest it has been all year and is a decline of 12% during the past three weeks. In late July hog prices ruled at about the $23.85 level.

Statistics were unimportant today, primaries being much in line with last week and last year. When the visible is posted on Monday it will compare with last year's decrease of 1.3 million bu.

Not too much attention was paid to the British election, with the Conservatives winning by a narrow margin. Mr. Churchill, for six years has been campaigning against the socialist doctrines which imposed government control over much of England's industry and private enterprise, but the newly-elected Premier promises to bring about a restoration of Britain's fortunes, the thing which he explained burned in the hearts of men far beyond England's shores.

Our wheat market was influenced by some weakness in Minneapolis, their December wheat selling more than 12 1/2¢ under Chicago. However, poor crop prospects in the province of Cordoba and Santa Fe confirm the pessimistic outlook [illegible] wheat yield. Beans were strong, with higher prices for meal. [illegible] weakness in hogs.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 29, 1951.

The open interest in all grains has gone up considerably, and while in many instances there may be commercial longs, as for example in corn and in beans, where futures have been bought either against domestic or export sales, we believe that in the main hedges against merchandising represent more generally a short position, while speculative longs are often on the other side of the market. If this reasoning is correct, we may have a more two-sided market whenever liquidation takes place. As a matter of fact this started on Saturday when the stock market became weak and some of the inflationary scares were temporarily forgotten or ignored.

There has also been a better moisture situation in the Southwest because in addition to the rains that were reported on Saturday there has been further precipitation over parts of the winter wheat belt, and in some quarters it was regarded as quite heavy with Oklahoma probably having been the main beneficiary. There was other rainfall with about 3/4 inch received over parts of the Texas Panhandle, which at this season of the year is more than welcome, and as we have pointed out a fair amount of wheat was seeded in dry soil so that germination may now be possible since the rains came before a general freeze.

The Department of Agriculture points out that the demand for farm products is expected to rise during 1952 so that prices will remain pretty close to the 1951 levels. The fact that they have already announced a minimum loan for wheat assures a rather high loan level for next summer, and as long as the government has the advantage of being able to push exports with the help of Foreign Aid appropriations we are not apt to build up big surpluses at home. Their explanation for the strength is based largely on further rise in employment and consumer's incomes as defense preparations are expanded. Prices received by farmers in mid-September were about 7% below last February but still 7% above a year earlier, and the government feels the foreign demand for farm products will hold up next season with a larger supply of gold and dollars available.

In any event when our market opened this morning, the carryover feeling was somewhat bearish. There was a good deal of selling identified with an Eastern house, which looked as though liquidation were taking place, and the heaviest sales were in oats, but on the whole the market absorbed this selling without too much handicap. There was another steamer reported clearing from Ft. William bringing Canadian oats to Chicago carrying about 375,000 bu. While corn prices started somewhat lower in sympathy with wheat and other grains, pressure from the country is not at all heavy, and while ordinarily one would expect good accumulations at this time of year, it looks to us as though the movement would be light, the same as it has been in beans and milo, indicating a holding tendency on part of farmers. In wheat, Minneapolis futures remained at a big discount under Chicago, but since only No. 1 grades of spring wheat are deliverable on Chicago delivery months, we have not heard of anything coming this way, and apparently the better grades of wheat are all bringing some premium in northwest markets. Carlot receipts of wheat in both Minneapolis and Duluth were smaller than last season, running only about half as large as they were at that time. Part of this may be due to a holding tendency by farmers, but there may also be the element of weather although we doubt whether the recent snows in the Northwest have had much adverse effect on harvesting since most of the work in our country has been pretty well completed before now except possibly for some of the Durum wheat, which is still to be dealt with. Canadian temperatures have moderated.

When the visible supply of wheat was posted, there was a large shrinkage of somewhat more than 4 million bu. Total stocks in all positions are 198 1/2 million or nearly 29 million less than we had a year ago. Corn increased nearly 963,000 bu and the total supply is 3 million bu smaller than last season. Oats decreased 1 1/2 million bu, in spite of some imports our total stocks are 28.3 million bu compared with 18 million bu last year.. Chicago wheat stocks showed a big decrease of 616,000 bu leaving 8.8 million in this market. There was a large decrease in oats of 537,000 bu and an increase of 639,000 bu in the local bean stock with small changes registered for corn and rye.

After an easy start, Secretary Brannan's message brought some buying into the market. He pointed out that the nation would need large crops again to take care of civilian population, plus our Armed Forces and to also have surpluses to share with friendly peoples abroad, as well as to build up and maintain a safe margin of strategic reserves. Corn was probably the first cereal to recover, although beans had a good undertone after meal prices firmed up. The general list

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 30, 1951

The new winter wheat crop in Kansas is off to a very favorable start, and according to a survey taken by the State Board of Agriculture and the U. S. Bureau of Agricultural Economics, soil moisture conditions in the western two-thirds of Kansas showed average moisture of 47.8 inches, which is the deepest average penetration recorded since tests started in 1938. The average depth of dry topsoil was only 1.2 inches, which compares with 2.3 inches last year. The state as a whole has received above normal precipitation each month from May through September, while so far in October it has been slightly below normal. There is some acreage in the extreme southwestern part of Kansasthat has been without beneficial moisture recently and is in need of additional rainfall. We have also had rather optimistic reports from parties in Oklahoma, although we believe there is an area in southwestern part of that state, as well as in the Panhandle areas of Texas, where moisture would be welcome.

As far as crops in Argentina and Australia are concerned, Broomhall reports that there is not much improvement in the crops of our neighbors to the South, and still does not believe that their wheat crop will exceed 145 million bu compared with 212 million bu last year. Australia from January 1st to October 18th has exported wheat and flour - about 12 million bu more than a year ago with reserves being reduced to a minimum and present crop prospects do not indicate a good crop this year. Sanford Evans' recent bulletin mentions that 83% of the wheat has been threshed in Manitoba, and with favorable weather threshing should be wound up this week. In Saskatchewan about 80% of the wheat has been cut and 63% threshed with recent operations retarded due to rain and snow in certain areas, and favorable weather is needed for completion of the harvest. In Alberta 77% of the wheat has been cut although only 36% has been threshed as compared with 82% a year ago. In the Peace River district, with snow and lateness of the season, it may be impossible to resume harvesting operations in the central and southern portions of that Province until next spring.

Secretary Brannan pointed out that with the exception of meat, rice, soybeans, fats and oils, export prospects for U.S. farm production in 1952 are very good. On the subject of beans and fats and oils he looks for exports to decline as production has increased in other countries, and foreign importers are looking for non-dollar supply sources. Mr. Stanley Andrews, Director of the Office of Foreign Agricultural Relations, also points out that while Western Europe is still a fat deficit area, there are signs of diminishing needs for U.S. supplies in 1952. The production of animal fats on the Continent probably will be above prewar levels. There is a bumper crop of olive oil in the Mediterranean area in prospect, which probably means less soybean oil will be imported for blending. He also reports that Manchurian beans are again showing up in volume at Rotterdam, Antwerp, and Hamburg. As pointed out in the Agricultural Release of the Federal Reserve Bank of Chicago: "To store or not to store beans is the problem now confronting many soybean producers." There can be no doubt that farmers storing beans for the past three or four years have been well paid but Mr. G. L. Jordan of the University of Illinois expects the seasonal soybean price peak to occur in December or January, which is much earlier than usual, and while storage may again be profitable the general consensus, according to the same agricultural letter, is that profits from storage are not likely to equal those of last year.

Primary receipts of wheat today totaled 2,229,000 bu vs 2,095,000 bu a week and 2,181,000 bu on the comparable day of last year. So far this week, Minneapolis and Kansas City stocks of wheat show a net decrease of 384,000 bu.

It was reported today that Austria had bought a cargo of corn and a cargo of milo, while India in the last few days has purchased 6 cargoes of white wheat from the Pacific Coast, and Japan 9 cargoes of western white wheat. The Southwestern Miller reports that flour bookings were again small overnight with inquiry rather limited today. There is a potential outlet of some proportion but bakers seem to be intent on holding back for somewhat lower markets. The same source reports that inquiries for sizeable quantities of flour were in the market by Israel and Saudi Arabia. India's Food Ministry reported that drought has cut the yields very seriously in that country and that India will have to import 5 million tons food-grains next year, which is the same amount as in 1951, and which is 2 million tons larger than original estimates of import requirements. It was also reported Mexico bought up to possibly a million bu of hard winter wheat.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 October 31, 1951

Reports from Korea were more optimistic with the Red negotiators unexpectedly submitting a plan creating a "buffer state" more in line with the demands of the U. N. Command, bringing the two sides closer together than they have ever been on the question. Col. Andrew J. Kinney, Chief U. S. Liaison Officer, stated it was the biggest step he had seen for solving the "buffer zone" question. This more hopeful feeling probably accounted for some of the early weakness in cotton and grains when they opened. However, a damper was put on the prediction of any quick truce in Korea when Acting Secretary of State Webb warned that there were many complex questions yet to be solved.

According to the USDA Office of Foreign Agricultural Relations, world trade in wheat including flour has ranged from a low of less than 400 million bu in 1942 to 1 billion bu in 1948. The lack of stability in the annual world trade in this basic food item has been a conspicuous feature of export movement since 1914. U. S. exports have fluctuated even more than world shipments ranging from a low point of less than 20 million bu in the 30's to over 500 million in 1948. In studying their statistics, while exports of wheat and flour in the season 1947, 1948, and 1949 were over 900 million bu, this is not much larger than occurred in the years 1926 through 1931, although, of course, the contribution of the U. S. was much larger in the years 1947 through 1949 than at any previous date. Exports of corn from this country have represented a relatively small part of world shipments since 1914 except for a few years. In more recent years both the volume and share of U. S. exports of this grain have increased due to world food and feed shortages and limited supplies available in any other exporting countries.

As an emergency step the Canadian Wheat Board has ordered the railways to concentrate for the next six weeks on getting milling grades of wheat to the West Coast and the lakehead. This action was taken to enable the Canadians to meet commitments abroad before close of navigation on the Great Lakes in December.

The Iowa weekly crop bulletin mentions that harvesting of the corn crop in that state continued to be delayed due to lateness of the growing season, which has resulted in corn with high moisture content. Only a limited amount of corn has been cribbed and actual cribbing and full-scale harvesting will be delayed until about the middle of November, as another two or three weeks of drying weather is needed before corn will be safe for normal cribbing. Reports indicate that only 6% of the total corn acreage has been harvested; most of this for the opening of fields. The harvest of beans also has been delayed, and only 47% completed against a normal of 80% of this date. The Illinois weekly reports state that, roughly, one-third of the Illinois corn crop has been harvested to-date, although across northern sections of the state where corn is late only a little over 10 % has been picked. Harvesting has been delayed by recent rains. They estimate that less than 5% of the Illinois bean crop remains to be combined. The Missouri weekly bulletin mentions that rains during the past week were generally beneficial for small grains and pastures but that the harvesting of corn was slowed up due to weather conditions.

Broomhall reports that the European seeding of fall grains made satisfactory progress in most sections, although rains are still needed. He estimates that this year's wheat crop is being maintained with a tendency in a few countries to slightly increase earlier estimates. Fall work in the U. K. is progressing at a good pace and results of the German harvest might lead to an increase in earlier estimates of wheat and oats. Their harvest is the largest so far for the postwar period. Good seeding progress was made in Italy but India is suffering from droughty conditions. In export circles the U.K. is reported to have bought a cargo of corn out of the Atlantic, also a cargo of milo, and that there were various lots of Manitobas worked to Germany, Switzerland and the U.K. The same source reports that France is negotiating for a million tons of foreign wheat to offset the deficit in the North African crop.

Primary receipts of wheat today totaled 802,000 bu vs 831,000 bu a week ago and 1,488,000 bu on the comparable day of last year. So far this week, Minneapolis and Kansas City wheat stocks show a total decrease of 712,000 bu.

There was very little feature to the markets today and no volume of business in wheat that could be attributed to either flour sales or export business. The inquiry for flour is only moderate. Tenders on somewhat over 600,000 bu beans were made today but this had little effect marketwise. The feeling in the Southwest is very optimistic on the new winter wheat crop prospects due to recent rains in Kansas, Okalhoma and even in Texas.

UHLMANN GRAIN CO.

[illegible]

[illegible] profit-realizing [illegible] [illegible]

[illegible] next step be [illegible] [illegible] [illegible] probably accounted for [illegible] [illegible] however, a danger [illegible]

[illegible] yet to be solved.

[illegible] ording to the USDA [illegible] Foreign Agricultural [illegible] [illegible] flour has ranged from a low of less than [illegible] [illegible] in 1944. The lack of [illegible] world trade [illegible]

[illegible] fluctuated even more than [illegible] ranging from a low point of [illegible] in the 20's to over 500 million [illegible] exports of wheat and flour [illegible]

[illegible] of course, the contribution of the U.S. [illegible] in [illegible] than at any previous date. [illegible] a relatively small part of world [illegible] more recent years both the volume and share of U.S. exports [illegible] increased due to world food and feed shortages [illegible]

[illegible] an emergency step the Canadian Wheat Board has [illegible] for the next [illegible] [illegible] This action [illegible] [illegible]

[illegible] to be delayed [illegible] of the growing season [illegible] [illegible] and [illegible]

[illegible] has been harvested [illegible] [illegible] of beans also has [illegible] only [illegible] completed [illegible]

[illegible] corn is left only a little over [illegible] has been [illegible]. Harvesting [illegible] recent [illegible]. They estimate that less than [illegible] of the [illegible] remains to be combined. The Missouri weekly bulletin mentions that [illegible] the past week were generally beneficial for [illegible] and pastures, but harvesting of corn was slowed up due to weather conditions.

[illegible] report that the European seeding of fall grains [illegible] in most sections, although [illegible] still needed. [illegible] and earlier estimates. [illegible] in the U. K. is progressing at a good [illegible]

[illegible] oats. Their harvest is the [illegible] so far for the postwar period. [illegible] progress was made [illegible] but India is suffering from drought conditions. [illegible] the U.K. is reported to have bought a cargo of [illegible] a cargo of milo, and that there were various lots of [illegible] worked to [illegible] and the U.K. The same [illegible] reports that [illegible] tons of [illegible] wheat to offset the [illegible] [illegible] receipts of wheat today totaled [illegible] on the comparable day of last year. [illegible] this week, [illegible] City wheat stocks show a total decrease of 112,000 bu.

[illegible] the markets today and no volume of [illegible] in either flour sales or export business. The [illegible] Tenders on somewhat over [illegible] [illegible] market [illegible] The feeling in the [illegible] wheat crop prospects due to recent rains in [illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
.W YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 1, 1951

There is always more activity when the open interest is large, and likewise more chance for liquidation when there are more contracts open on the books of commission houses than when there is a feeling of general indifference. Since last April we have had quite an increase in the amount of business that has been open for customers, which, of course, includes hedgers, traders, spreaders, etc., and we find that the open interest has increased about 85 million bu, which probably explains in part why we have had the recent declines after the sharp advances that have taken place. First of all, sentiment has gradually veered to the long side of the market, largely for the reason that our foreign outlets have improved, and even though this might not have been possible to the same large extent had it not been for the Foreign Aid Program, we must take into account that shipments of wheat and flour will probably be larger than had earlier been expected, and now with short crops in South ern Hemisphere, it is quite apparent that our carryover reserve at the end of the crop-season will be somewhat smaller than it was on July 1, 1951. Since end of World War II our wheat and flour shipments have gradually assumed larger proportions, reaching their peak in the 1948 season, when 500 million bu was shipped abroad, or more than half the total world exports, although during 1950 we lost some ground despite the fact that Canada had a poor crop, insofar as milling quality was concerned It is becoming more apparent all the time that if we did not have the foreign outlets it would be difficult to maintain our price level at home, even with higher parities continually being registered and higher loans being offered to farmers. But, of course, the subsidy has been sufficiently larger to provide ample markets abroad, and after all the importing countries have been taking much more of our wheat and flour than before the war. As a matter of fact, increased populations and slow recovery have made it necessary for many European nations to expand their requirements from overseas.

The wheat crop this season, particularlythat portion raised in the Southwest is being compared with 1915 when we had a good deal of poor wheat and very likely flood conditions and excessive moisture have had quite an effect on quality. Thus, there is not too much high-grade wheat available with the result that premiums are are being paid for good receipts while poor wheat is being sold at very big discounts. To offset this condition we find the moisture situation in the winter wheat belt highly optimistic and very favorable reports have been coming from Kansas, Oklahoma, and Texas, so that next season might bring about a great change. In any case the wheat is off to an excellent start with promise of considerable wheat pasturage and while we admit that crops are not made in November, it is very important that a good beginning is made.

The Santa Fe report today calls attention to a crop of 42.3 million bu grain sorghums in Kansas, and goes on to say that this figure may grow in the absence of killing frosts. However, temperatures in the Southwest have taken quite a drop and we may have to be content with no increases from the aforementioned figure. The same authority tells us that wheat planting in Oklahoma is being rushed to completion, thanks to widely scattered showers and light rains, which have done much to overcome a shortage of surface moisture. While our wheat and flour shipments were a little under 5 million bu for the past week, the total for the season is still 132 million bu compared with only 70 million a year ago, so that together with fairly large quantities that have been impounded, there seems to be no great pressure on markets except as liquidation occurs. There was some snow in the Southwest, a little more rain in the Texas Panhandle, which is more than welcome.

Primary receipts of wheat were nearly 2 1/2 million bu compared with 1.6 million bu last week and only 1.5 million bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 1.1 million bu,

The government gave the wheat impoundings at the end of September, which were 121 million bu compared with 68 million a month ago and 101 million the same period last year, The final for 1950 was 196 million bu and two years ago 379 million bu. Not much attention was paid to statistics. There seemed to be general liquidation although markets seemed to find support on breaks. The Chicago corn-hog ratio was 10.9 vs. 11.3 last week and 12.6 last year. More beans were delivered on November contracts, and so far the tenders have been taken very largely by an export house. It was reported that Holland had purchased 3,000 tons soybeans for last-half December position.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 2, 1951.

Broomhall, whose Corn Trade News, is a non-political journal, points out from time to time realities in the grain trade, and discusses wheat, which to the Southern Hemisphere was so essential before the war, and shows how difficult it is to get along now without proper price relationships, and without a futures market. His conclusion is that they are not getting along nearly so well as they did before the war, because politicians have attempted to eliminate the risk of price fluctuations by establishing fixed prices, or at least a maximum and minimum price for wheat, but in so doing he feels that they have destroyed the economic value, and have, therefore, exposed the people to the risk of shortages, the result being that their future supply of wheat is now in grave danger.

Production in both Australia and Argentina has fallen rapidly and drastically, despite an unprecedented wheat demand for every bushel that these non-dollar countries can grow. For the same reason an unusual fall has occurred in the Argentine production of corn and linseed, so needed everywhere. He says the verdict of history may well be that themen who made futures trading, and the economic price a reality performed a greater service to the community than the politicians who delight in condemning them.

When our market opened this morning prices were somewhat better, and apparently the liquidation yesterday had been fairly thorough in wheat, but in corn there is still the feeling that a movement is ahead, and of course with thelarge carryover this is the fourth year in which our crop and carryover have exceeded 3.8 billion bu. Prior to World War II, the corn supply in total seldom exceeded 3 billion bu. Of course, we must take into account that corn requirements have increased substantially since before the war. We must recognize that total utilization in 1951-52 is expected to exceed the 1951 production, so we can no longer be satisfied with corn crops of 2.4 billion bu, such as was the case over an extended period. In fact, it would be a calamity now if we raised less than 3 billion bu, which formerly was regarded as a bumper yield. The government points out that the carryover stock of corn which totaled 744 million bu on October 1st of this year may be down to around 500 million bu one year hence.

The supply of oats for the current season is about as large as last, but the supply of barley is 8% smaller, and the sorghum grain supply is about one-third smaller. Some reduction in the carryover stock of these grains at the close of the 1951-52 season also seems to be in prospect. The supply of by-product feeds will be about equal to the record supply of 21.5 million tons a year ago. A record supply of oilseed cake and meal is in prospect. The production of cottonseed cake and meal this year will be much larger than last, and should more than offset small production of soybean and linseed cakes and meals. The total supply of all protein feeds is expected to be larger than in the past few years, but little if any larger in relation to the increasing number of livestock presently on farms.

With this situation one cannot hold permanently bearish views, irrespective of what may happen during the next sixty days. We have large reserves of corn owne by the CCC, and to that extent there is apt to be liquidation as the current sale price is only a little above market levels.

Primary receipts of wheat today totaled 1,207,000 bu vs 1,615,000 bu last week, and 1,468,000 bu last year. So far this week stocks of wheat at Minneapolis and Kansas City show a net decrease of 1,428,000 bu. When the visible supply is posted on Monday it will compare with a decrease a year ago of 719,000 bu.

There was no particular feature to the market today, wheat derived strength more from local buying than from outside sources. It was reported that Norway bought 7,000 tons of corn, and it is anticipated that Portugal will be in the market for 18,000 tons of wheat on November 7th, Austria for 100,000 tons on November 9th, and Germany for 50,000 tons about the middle of November. New flour business is being consummated in only moderate volume, with buyers appearing to have some idea at discounts under present mill quotations.

There was moisture in the Southwest, at many points in the form of snow, one report from Amarillo stated that 2 to 7 inches of snow fell at Amarillo, and generally north to the Oklahoma-Kansas line. These snows and freezes had been preceded with fairly good rains in the past number of days. According to the forecast temperatures will remain below normal for the next four or five days, altho moderating from the recent low readings.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 5, 1951.

Winter weather has come much earlier than usual, and the cold temperatures have extended as far south as Florida. Texas has at least had moderate temperatures during the daytime, while at night it has gone somewhat below freezing, so that under these conditions there is still a chance to complete seeding operations, but there may be some doubt as to whether the same may occur in Oklahoma while we are told that Kansas has nearly finished fall operations. At the moment a good deal of snow has fallen in Kansas which not only protects the plant but imparts good moisture to the soil.

Strangely enough, there are many places in Canada where temperatures are warmer than, for example, over the corn belt, but the Prairie crops this year have, nevertheless, experienced a most prolonged period of adverse fall weather. Grains, especially in the swath, have suffered from long exposure and absence of hot weather, strong winds, and intermittent spells of wet weather. At present most of the Prairies, particularly the province of Alberta, seem to be covered with a blanket of snow, and for all practical purposes the 1951 harvest is believed to be at an end. Thus, there will be a lot of work necessary in the spring, althogh it varies according to locations. The province of Manitoba, whichis the smallest for wheat production, has only about 15% of the cereal crops still to be harvested, while for Saskatchewan the percentage is 30 to 35%, but Alberta has fared the worst and there about 60% is still incomplete. In order to successfully harvest that portion of the 1951 crop next spring will depend on a number of conditions. Crops with a heavy stubble should survive the winter well if adequately covered with snow, but on the other hand losses may result on light-stubbled fields. If spring work is held up by poor drying weather, no doubt there will be less acreage for the 1952 plantings; so this is a situation that cannot be easily forecast at this early date. Peculiarly enough even with the bad weather in Canada, yields continue to be favorable, and in some districts are better than expected. Approximately 45% of this year's wheat so far inspected is grading #4 Northern or better and 22% has been grading tough.

Here at home there continues to be speculation as to a possible Armistice but not much was gleaned from the stock market, where on the whole early prices were somewhat higher, despite some of the unfavorable conditions which affected some stockholders from point of view of present results. Most individuals will have to pay increased taxes on their incomes, including what they get from dividends. The pinch has been getting worse every year, and for example, a person who in 1939 had a net income of $10,000 would have to receive $25,224 in order to have the same buying power after taxes. This shows what happens when both inflation and higher taxes are at work. A person with a $25,000 income on the same basis would now have to receive an income of $94,356 to live the same as he did in 1939, after payment of taxes, and one with an income of $50,000 in former years would now have to receive $365,733, so that there is little doubt that the possibility of practicing thrift has been generally eliminated for all categories. If a person had received $100,000 net income in 1939, he would have to receive nearly a million dollars now to live as well as he did then. Thus it stands to reason that any change in our tax structure can no longer be in the direction of soaking the rich, who are already carrying this heavy burden but will have to fall upon the lower income tax groups, which have already been hard-hit, and which are already complaining because of the last increase that was imposed, not only in direct taxes but also the many indirect ones which make living conditions more difficult.

The visible supply of wheat showed a decrease of 4.7 million bu. Total stocks are 193.8 million bu, or nearly 33 million smaller than last season. Chicago stocks also showed a decline now leaving 8.6 million bu in this market. All corn stocks increased 1 1/2 million bu, while oats declined 491,000 bu, but we have about 10 3/4 million bu more oats than last season but receipts at terminals now are small. Chicago bean stocks increased 386,000 bu for the week to a total of 3 1/2 million bu, but movement from the country is not burdensome.

Markets were quite firm early and some attention was paid to a report that the IWA during the past week had done such a large share of its business with over 25 million bu sold, bringing the total to 270 million bu this season, leaving only 310 million bu still to go. The U.S. share of wheat and flour sales were 14 million bu; also the Department of Agriculture has concluded that emphasis should be placed on maximum production of all types of grain next year, which indicated that the demand would keep up. However, there was some profit-taking and markets reacted after going into new high ground for the present period. UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

[illegible] November 7, 1951.

[illegible] more comfortable than [illegible], and the cold [illegible]

[illegible], which at night it has your [illegible] what [illegible]
[illegible], there is still a chance [illegible] opening [illegible]
[illegible] to allow the same may occur in Ontario [illegible]
[illegible] Ontario has already had [illegible] operations. At the moment a [illegible]
[illegible] in Ontario which not only produce the [illegible] not operate [illegible]
[illegible].

[illegible], the no [illegible] places in Canada [illegible] for [illegible]
[illegible] for [illegible]. [illegible] The [illegible] seen [illegible], but the Pacific [illegible] this year [illegible]
[illegible] [illegible] a [illegible] prolonged period of [illegible] fall [illegible]
[illegible] [illegible] [illegible] [illegible] and [illegible] of [illegible]
[illegible] [illegible], [illegible] [illegible] [illegible] weather. [illegible]
[illegible] [illegible] [illegible] [illegible], [illegible], [illegible] to [illegible] [illegible]
[illegible], [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible]
[illegible]

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 6, 1951.

We have always held to the theory that there was no substitute for free markets. We were not opposed to the commodity support program when it was originally conceived because at that time the farmer was faced with a reduction in his agricultural income due to depressed prices, and it was hoped that among other things the plan would provide reasonable loans to carry him over until such time as his products would increase in value so that he would finally obtain a better return. That concept has been completely abandoned with the result that the initial loans of modest proportions have been greatly raised, and the government has already guaranteed the wheat farmer a loan of $2.50 per bu Chicago minimum for next summer even if the parity level should decline. In 1938, the loan in Chicago was 77¢ a bu for wheat, a relatively low and modest price, and went into effect when the farmer, like other members of society, found himself in a severely depressed condition; but the present loan, three and one-half times as large, comes at a time when he is enjoying great prosperity. We have had many artificial conditions, and it was only a few years ago that potatoes were overproduced; the government had to use some of them for fertilizer, destroy others, and the situation was bad until this year when price supports were abandoned. The result immediately was a sharp reduction in planting, with a consequent advance in price, so that actually the farmer was not hurt unduly. Now for the first time in many years the government is asking farmers to produce more potatoes, which they would probably do even without any urging because they have found them more remunerative when supply and demand factors were bringing about the proper adjustments.

It is often said that a country as rich and resourceful as ours could never spend itself into bankruptcy. It is true that we have great natural assets in this country, including the gold, and ore in the mountains and in the ground, the fertility of the soil, water power, etc., and other natural resources too numerous to mention here. But these alone have not been soley responsible for the great development of our country. The Indians roamed the same territory long before the white man arrived, and yet eeked only a precarious living from their surroundings. Our miraculous development has been brought about in large part by the creative talents of comparatively few men, who operated under a system of free enterprise and democratic government and who were spurred on by the rewards of achievement.

There was quite a little snow reported overnight in Kansas, with as much as 8 to 9 inches at Wichita, and 10 to 12 inches at Coffeyville. It was also moderate to heavy over Oklahoma, Missouri, and parts of the corn belt, which, of course, is extremely beneficial for winter wheat. Temperatures have moderated somewhat over the Northwest and precipitation there was inconsequential.

Not much attention was paid to this news, although prices after the opening were a shade lower. However, it is still felt that impoundings thus far in wheat have been heavier than last season and that nearly one-fourth the Kansas production has been placed under the loan, so that with the smaller crop it does not leave too much for the free market. Also we shall probably export larger quantities than were earlier expected due to reverses in the Southern Hemisphere.

The Department of Agriculture pointed out that crushings of soybeans and oil last season were the largest on record, and were nearly 30% above the previous record, totaling 252 million bu. Exports of nearly 28 million bu were more than double those of 1949-50. Of course, we had the poor cotton crop last year with which to contend so that with the soybean yield this season of 275 million bu in prospect, which is the second largest on record, there may be a different result. In any case, our market remains fairly strong. Farmers' prices of soybeans last season averaged $2.81 a bu, which was 64¢ higher than the season before. It is quite remarkable that there has never been a burdensome carryover reserve in beans from one season to the next. On October 1st we had only 4 million bu left from the previous crop.

Statistics were unimportant except for the wheat inventory which the government gave out for the end of September, which amounted to 168 million bu in the hands of the CCC. This compared with 196 million bu at the start of the crop season, or a reduction of 28 million bu. It also was 13 million bu less than at end of August. Adding to this the amount under loan, it would mean that 289 million bu is held off the market in one way or another. Increases in the loans since the last figure was given may be offset by reductions of inventories or possibly by some redemptions.

In any case, markets turned strong after mid-session, and oats led the way with practically no receipts here for the last three days. The wet weather over the corn belt and lack of pressure made the constructive side of the market rather easy.

This is not a solicitation of any order to buy or sell but merely a current market ... statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be compr... No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 7, 1951

The carryover feeling from yesterday was somewhat bullish, and the fact that markets responded so readily to export news and recovered so easily after minor reactions tended to keep sentiment friendly. Almost everything coming out of Washington is to the effect that the demand will be sustained, and this refers to the foreign takings supplementing the indicated strong requirements at home with people well employed. The BAE figures that exports of most items will probably compare favorably with the current year's volume, although some decline is indicated for soybeans and other fats and oils. Likewise farmers' cash receipts are expected to rise next year, reflecting both a larger volume of marketings and adequate prices, which may average near the 1951 levels. On the other hand the net income of farm operators is not likely to show much change from this year's level due to rising production costs. As these authorities point out, if adjusted for the higher cost of living, the 1951 net farm income is higher than in 1949 and 1950, but otherwise the lowest since 1941. This may prove quite surprising to some people but shows that during inflationary periods not many benefit despite all outward appearances.

In our yesterday's letter we gave CCC stocks of wheat with comparisons with the month earlier and with last year, but due to limited space were unable to record the corn inventories, which at end of September amounted to 403 million bu, a decline of 2 1/2 million from the previous month. There was 62 1/2 million bu of 1948-49 corn re-sealed, and evidently still carried on the government books as 1950 loan about 22 million bu. This with some other incidentals, together with the 1951 loan, brought total government stocks to 487 million bu, which was about 26 1/2 million less than the month earlier. It would seem that much of the re-sealed corn would be about in line for redemptions, because during the month of September they reduced the re-sealed corn from the 1948-49 loan by about 13 million bu, and the 1950 loans by 10 million bu. If this is the case, and advancing prices continue, there may be further supplies put back into commercial channels. However, with movement of corn from the country not too heavy, and feeding incentives still apparently great, there are many who look for a strong market unless there should be a larger percentage of wet corn that would have to be sold from first hands.

There was heavy snow over all sections of the country East of the Mississippi River since yesterday morning, while fair weather prevailed over the Canadian provinces, our Northwest, and the winter wheat belt. Temperatures have risen decidedly in Canada and Montana, but it is still somewhat below normal East of the Mississippi. Clearing weather will probably set in for the corn belt region by tonight or tomorrow, but after the heavy snows which have occurred it will take some time yet before corn areas will be improved, and in the meantime some corn which has not been cribbed is apparently being subjected to the elements.

In export circles there was some doubt expressed that as much business would transpire as had been anticipated for the reason that the slight upward adjustment in the subsidy was still not enough to permit offerings of either springs or hard winters within the IWA maxima. It was reported some wheat would be sold from here very shortly to Austria and the U.K. likely to be in the market later this week. Some Manitoba business was done overnight to the U. K.

Primary receipts of wheat were 782,000 bu compared with 802,000 bu last week, and 2,860,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 360,000 bu.

During the session it was announced that the British Conservative government had decided to spend $980 million less a year abroad; while the cut would not affect trade between Britain and the sterling countries it would limit business with America and other non-sterling nations. This had a bearish effect on the stock market, which spread to grains, although there was no decided weakness; in fact, beans were about the only commodity that seemed to be under liquidating pressure, oats and corn ruling relatively strong. We believe that relative strength in December wheat today was due to a report that two cargoes of red wheat had been sold to Portugal, and while the price via the Atlantic was lower than if shipped from Chicago, it nevertheless had a sentimental effect on our nearby delivery.

Wet weather, which is holding up the corn movement, also was responsible for a higher premium market here in Chicago.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 8, 1951

President Truman in his radio and television broadcast last evening appealed to Russia to accept a "Big Three" arms reduction plan in order to bring peace to the world. He urged a census of arms to be followed by cuts of both forces and weapons and ultimately outlawing atomic weapons with U. N. inspections to guard against any violations. This was not received happily at all by Mr. Vishinsky, and, therefore, we see little hope at the present time of accomplishing the idealistic determination of our U. N. partners and ourselves in this undertaking.

When our market opened this morning price changes were not too important, and in fact, for a time there was comparative quiet, but during the forepart of the session there was an extremely bullish cotton report issued by the Department of Agriculture, the yield having been cut far below any of the private estimates. This immediately caused short-covering in beans and buying spread to other pits.

For about the fourth successive day now temperatures in Alberta have been running between 45 to 50 degrees during the daytime, somewhat colder at night. The seasonal chinook, which apparently developed in Southern Alberta, has been responsible for the rise in temperatures, following unseasonably cold weather. It will probably moderate also in all sections of our country, with not much precipitation looked for anywhere, and to that extent the weather seems somewhat more favorable now for corn harvest. There was a sharp break in the hog market, with top prices at the Yards quoted at $19, but this did not seem to have much influence on corn, and there has been very little pressure on the market and not much selling by the country.

We note that during the past week wheat and flour shipments from the U. S. were cut to 3.8 million bu, but we doubt if the shipping strike had much to do with the lessened clearances. In any event since July 1st, we have shipped 135 3/4 million bu compared with 74 1/4 million last season. From the start of the world crop-year on August 1st, various surplus nations have placed 246 million bu afloat compared with 161 million bu a year ago. Most of the increases came from our country, with a little more furnished by Canada, about the same from Australia, and a smaller quantity from the Argentine. Russian shipments thus far have been 7 1/2 million bu compared to only 3 million a year ago. In Australia, there is 38 million bu wheat remaining for export and next carryover compared with 52 million a year ago, and 36 million two years ago. However, prospects for the next crop are still very poor.

Broomhall's Foreign Crop Summary is reasonably optimistic as there have been rains in Western sections of Europe after a long dry spell, which is bound to help plowing and seeding. However, more moisture is needed to permit germination. Elsewhere soil condition is satisfactory and there has been good progress in planting.

Here at home we continue to get some pessimistic reports from the western corn belt. The Nebraska weekly resume talks of much corn which is soft and of poor quality, with disappointing yields and a considerable acreage that will be pastured. Beneficial snows that fell over Kansas during the past week have greatly improved surface soil moisture, although will be detrimental in many eastern areas where wheat seeding and other field work has been delayed by wet soil. Some wheat in the extreme southwestern part of the state has not been planted, and the moisture will allow this to be seeded. The sharp freeze which occurred is not expected to do any damage because of snow protection.

Primary receipts of wheat were 1.3 million bu compared with 2.4 million bu last week and 1.9 million bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 720,000 bu.

Markets were all very strong after an indifferent start. New York cotton futures sold up the permissible limit, which in turn imparted a good deal of bullish sentiment to our markets. We had many new highs registered during the day and while milling demand was still rather poor, not much attention was paid to this factor, particularly as new pressure was almost completely lacking. Outside markets kept fairly good pace with ours and December wheat for the first time went to a premium over the May delivery. November soybean meal also went to the ceiling price for a time as a result of the reduction in the cotton yield which was construed bullish on feedstuffs. There was quite a broad trade and whatever profit-taking came into the market seemed to be well absorbed.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 9, 1951

The same factors which caused concern in the grain market yesterday were again with us this morning. The government report on cotton stressed the fact that while there had been a very heavy reduction since the October report, there might be further losses due to freezing temperatures over parts of the belt that had not been accounted for in the figures just issued. Thus we may have to be prepared for additional reductions in yields, which is not very pleasant in a year when exports had been planned on such a heavy scale, and when already very large quantities had been impounded under the loan, thus not making supplies too plentiful for our domestic market. The fact that the cotton market scored further gains with the opening price registering rises of 200 points naturally had its influence here, although a good deal of the short-covering of yesterday had weakened the technical position of our grain market.

We have our own situation, however, and while world wheat statistics are not particularly bullish, one must take into account artificial factors which we have mentioned so often in these letters, plus the transportation problems in Canada, which make a good part of the wheat unavailable for shipping even though great efforts have been made to move supplies to the seaboard. The fact that the crop was so late also tended to make handicaps greater, and while there is some hope now that more moderate temperatures during November may permit the resumption of harvesting operations in Alberta, there is no assurance that this can be done on a sufficiently heavy scale to relieve what apprehension exists with respect to large quantities having to lie in the field all during the winter. For the first quarter of the world crop-year, shipments of wheat and flour from all countries have been 75 million bu greater than a year ago. The total is 246.7 million compared with 171.1 million last year. Canada continues to export a fair amount of feed wheat to the U. S, and up to the beginning of November 8.8 million bu had been disposed of in that manner compared with only 3.9 million a year ago. They still have large quantities of poor quality wheat to handle from last season's crop.

Broomhall tells us that recent rains in the Argentine have permitted further planting of corn. It had been stopped in a number of areas because of the prolonged dryness, but there still is pessimism with respect to getting in a full acreage because normally planting is completed by end of October, and it is now getting rather late to insure additional work. There is even some concern now that because of the poor wheat crop it is going to be difficult to get good seed for next year, although exports are near a standstill, and they can probably work out their problem, so that the main concern is still the smallness of the present wheat crop in comparison with other years.

Primary receipts of wheat were 1,408,000 bu compared with 1,207,000 bu last week and about the same last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 1,149,000 bu. When the visible supply of wheat is posted on Monday, it will compare with a decrease last year of 1,275,000 bu. We expect a much larger shrinkage this season.

There was not much flour business, and despite the fact that flour prices were higher, new orders were slow and apparently even replacements were of poor volume. According to The Southwestern Miller, the tendency for the present, at least, is for many of the bakers to remain on the sidelines or to book only minimum quantities. With the great strength in cotton, soybeans were naturally strong. This helped also to bolster the price of feed grains, with corn and oats ruling higher. New seasonal highs were made today for March wheat, all corn futures, also, the deferred bean futures. While wheat was higher, it seemed to lag at times and not any export business of consequence was reported. However, there was no weakness nor any pressure from the country. Premiums in the Southwest were a little higher and high quality wheat is still scarce. The hog market suffered another sharp break with many grades from 50¢ to $1 lower, but apparently this had very little influence on the corn market and some people are looking for a bullish government report that will be issued after the close of the market this afternoon.

I UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 13, 1951

Since our last letter was written we have had a good deal of excitement, with our markets stimulated by rapid changes in the level of cotton prices. On Saturday, there was a sharp break but this was offset this morning by a partial recovery, all of which tended to keep the grain trade alert. There was also a good deal of export business in wheat over the holiday with Germany, the chief buyer, but also a cargo of hard winters was apparently sold to Britain from the gulf. The sale of 30 to 35,000 tons No. 2 red wheat had a twofold effect on the market: first, the removal of hedges was important, but secondly, it brought up the possibility that our stocks of wheat in Chicago might gradually become more valuable if stocks in eastern positions were further depleted.

The government report issued after the close of the market on Friday had very little influence. First of all, there were no changes for wheat, oats, or barley, and the corn report showed a reduction of only about 17 million bu from the previous month, which was certainly far from sensational. A good many people had looked for a big drop, possibly having been scared by the sharp reduction that was shown in our cotton yield. There was a slight increase in the production reports for both beans and milo, but apparently not enough to be of great significance. As matters now stand, a sorghum crop of 165.8 million bu is considerably less than was produced last year, but yet must be regarded as a good crop when we look at the average yields during 1940 to 1949 when this country raised only 118.7 million bu. The Texas production is unchanged at 89.7 million bu; Kansas was up about 2 million to a total of 44.3 million, and Oklahoma also up a million bu, suggesting that nearly 15 million bu might be raised in that state.

The same holding tendency which has been so pronounced this season is still a matter with which we must cope, but the situation in corn may be a little further aggravated by the wet weather for the last two or three days, which has been unwelcome to say the least, because there is still a lot of grain out in the fields. Some of it has been beaten down by recent rains, and it will prob ably be some time yet before field operations can be resumed.

There are still a good many people in the export trade who feel that demands from the U. S. will continue on a pretty heavy scale for sometime to come. It has been apparent for the last two or three years that farmers in the Argentine were dissatisfied with prices and a good many have been raising grain mostly for feed, not to speak of others who have just cut acreage because of disappointing returns. For some time now the Argentine Trade Promotion Institute has been offering practically nothing, and there seems little hope that much wheat will be available for export from the meager surpluses of the next harvest. Many officials attribute the small sowings and the poor harvest prospects to the drought, but we believe that the real reason goes deeper and may be attributable to economic conditions. Scarcity of labor, shortage of machinery and spare parts, plus the fact that prices for other products, such as corn and linseed, have not been remunerative, are certainly factors not to be ignored. The realization in Europe that Argentina will make no worth while contribution to the world's bread or feed needs for at least another twelve months has undoubtedly had a profound effect on world's sentiment. Of course, the Australian situation with an estimated wheat harvest o f only 145 to 148 million bu compared with 183 million bu last year and 218 million bu two years ago adds to the difficulties of the deficit countries. It is fortunate that any shortage in France may be made up by better yields in the Soviet group of countries, and in fact, the U. K. has already taken advantage of this position to sign a contract for a million tons of Soviet grain, including 200,000 tons wheat. There has also been some Danubian wheat purchased by France for shipment to her North African colonies and to implement an unfilled contract to Germany, according to our last advices from Broomhall.

The visible supply of wheat showed a heavy decrease of 5.3 million bu. Total stocks of 188 1/2 million bu are 37 million bu smaller than last year. Here in Chicago, there was only a minor decline, leaving 8 1/2 million bu in our market. Corn stocks increased nearly 3 million, of which about a million was in Chicago. Oats decreased 1.3 million bu, of which 331,000 bu was in Chicago. This leaves 9.3 million bu in this market.

Tradewas only moderate but prices were firm, except for sorghums and the cash market in the Southwest was easier with heavier receipts. However, the weather is not good for corn, plus the fact that farmers are holding. There was considerable lifting of hedges during the session against export sales of wheat and new seasonal highs were made for all wheat futures. UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
W YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 14, 1951.

There has been very little bearish news during the past few weeks. In fact, with the reductions in wheat production for the Southern Hemisphere countries, most traders have taken the view that the added demand would have to be met mostly by offerings from the U.S., particularly as transportation problems in Canada are bad, and there is a limit to what can be exported from that country even assuming that the balance of the grain in the fields will be harvested sometime between now and spring. The Argentine Minister of Agriculture announced within the last twenty-four hours that the wheat crop is virtually lost in most of Cordoba and LaPampa. There were other losses in the Province of northern Santa Fe and western Buenos Aires due to adverse weather conditions, although recent rains have permitted some additional seeding of flaxseed in the South and have improved the soil for seeding of corn and sunflower seed, according to advices that have just been cabled to Broomhall.

Here at home we find that every little while another country comes in for its supplies and possibly today's buying of wheat futures may have been in anticipation of shipments to Mexico, althoughit may have been the completion of operations against exports to Germany and Britain. This had quite an influence on our market at the opening, but very often when it is thought that business has been completed, for the time being new buyers are not easily found. In the meantime, however, new highs were made for all wheat futures, and even the July delivery sold at $2.50 a bu, which is about equal to the minimum price of the Chicago loan for next season.

Supplies of feed grains and other concentrates total about 176 million tons for the 1951-52 season, which is about 3% less than the record high supply of the two preceding seasons. Total feed supplies in relation to livestock numbers are smaller than last year. Thus it is possible that unless there is a reduction in the number of hogs and livestock that are presently on feed, we shall cut again into our reserve stock of corn. It has been largely on this premise that a good deal of buying has taken place early in the season, although the holding tendency of farmers has also been a factor, according to an unofficial authority. About 55% of the corn in this country is fed to hogs, and while a good many people are of the opinion that corn consumption is likewise heavy for cattle, only about 21% is thus used, but strangely enough, poultry consumes 19% of the corn, sothat in these three categories we can account for about 95% of the crop. We mention this because even the lowly hen has in many years been of more importance than wheat in terms of dollars and cents, although her wares are regarded with little more than indifference by most economists. We have seen on several occasions that many states in the Northwest, and also Nebraska, realized more from the sale of eggs in a normal year than from wheat, and actually many housewives spend more money for eggs than for bread or flour. But probably of equal interest is the fact that almost as much corn is used for poultry feeding as is consumed for our cattle.

Black Sea exports last week from Russia were 336,000 bu wheat, 616,000 bu barley, 240,000 bu oats, and 180,000 bu rye. This brings the total of all grains shipped to 16 3/4 million bu since August 1st compared with only 4 1/4 million bu a year ago.

Foreign crop advices by Broomhall spoke of rains in Western Europe that were beneficial although in some areas they were excessive. As a result planting has been backward in some countries, although it can be made up if favorable weather arrives in time. There have been heavy rains and floods in many sections of Italy, which, of course, is bad, while in France seeding is late but rains have improved the soil and more work will probably continue through early December.

CCC is said to be offering corn to exporters at prices competitive with the trade at seaboard positions, and prices in the interior are about at levels which CCC had advertised they would be willing to sell. We do not hear, however, of any business having been done since last week, but it has brought some caution into the market on the advance. Exporters said there was some thought that Mexico might have bought about 8 million bu wheat from this country, but this, too, is without confirmation, partly because there have not been allocations for such a quantity to our southern neighbor. In general many of the export prices figure higher than the International Wheat Agreement maximum levels, inasmuch as the subsidy is not large enough to bring prices down to within maximum levels of the agreement.

Kansas City and Minneapolis wheat stocks have decreased about 300,000 bu so far this week. Primary receipts of wheat are not conclusive for a couple of days after a holiday, and today's may include more than one day for some markets. They amounted to over 1 1/2 million bu compared with about half that quantity last week.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 15, 1951.

There was further buying of December wheat this morning by a house that had been prominently mentioned as the seller of export wheat during the past few days, and this brought up the possibility that either further business had been put through or thatall hedges had not been previously covered. It is said that 6 to 8 million bu may have been sold to Mexico, which would leave only about 900,000 bu for that country's IWA quota during this season. The British Minister also continues to show active interest, and there may be further sales during the next few days. Austria is probably going to purchase several cargoes of spring wheat via the Atlantic, and possibly some gulf wheat also, so that the various countries in need of grain may find it necessary to come here, particularly with the poor outlook in Southern Hemisphere and shipping difficulties in Canada. During the past week our shipments of wheat and flour were 7 1/4 million bu, which brings the total to 145 3/4 million bu since July 1st, which compares with 77 million a year ago. A good many people who are in close touch with European buyers seem to think that there is going to be a continued demand for our wheat based on the fact that other surplus countries have gradually faded out of the picture, and virtually nothing will be furnished by Argentina in the coming season, with reductions also in Australia because of adverse weather.

As for other grains they were influenced by a number of factors. Corn was very strong as the amount of feeder cattle shipped into the corn belt states was the largest on record during October, and unless there is heavy slaughtering of animals we may find that the reserve stock of corn at end of the season will be cut again sharply, although nobody can be entirely sure of this question. However, the corn-hog ratio is less profitable and hogs today were 35 to 40¢ lower in Chicago, all of which might finally induce heavier marketings of animals, and in turn would cut down our consumption of corn and other feed grains. It is too early in the season to have very firm convictions in that direction.

We also heard that CCC had modified its selling policy of corn and was apparently willing to limit every terminal operator to purchase only 50,000 bu against warehouse receipts, while in the country the amount was limited to 10,000 bu. All this is being handled through Washington, and it is our understanding that purchases cannot be repeated as long as the present program is in effect. We had previously thought it possible that Commodity might try to reduce its holdings on a more active scale, but if the news we have today is correct, the drain on private stocks may be greater. For the time being there is no pressure from the country, although weather is a little better. It seems to have cleared over the corn belt but some snow flurries are in prospect during the next twenty-four hours. There was a little moisture reported during the session at Hutchinson, Coffeyville, and parts of southeastern Kansas, but no precipitation in Texas, whichis the one state that could probably stand more rain, as it has not experienced the same good weather which we have been reporting for Kansas and some of theother winter wheat areas.

Primary receipts of wheat amounted to 1,606,000 bu compared with 1,368,000 bu last week, and 1,798,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 708,000 bu.

Marketswere a little indifferent at the start, but soon later strength developed in all pits. Corn went into new high ground, and on prospects of heavy feeding throug out the season there seemed to be very few reactions, and those that did occur were minor in character. We heard that 350,000 bu of soybeans had been tendered on November contracts; this had a little influence for a time, but there was general buying later on, and there were unconfirmed rumors of large export sales.

Flour business is still rather disappointing, but on the possibility of some wheat export business to Britain shortly nearby futures of wheat were strong although the May delivery was not up in proportion. After the close there will be a Canadian crop report issued from Ottawa.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
W YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 16, 1951.

After the close of the market yesterday, we had the third official estimate of the Canadian crop production, which many had expected to be very bullish. We ourselves thought that the figures were quite conservative, although there were some reductions from the previous estimates. For example, all wheat is figured at 562.4 million bu, or practicallly 100 million more than was raised last year, and a cut of 17 million bu from the earlier forecast. The oat crop is forecast at 493.2 million bu compared with 502.1 million bu last report, and 420 million bu last season. Barley was cut 4 million bu and is now 253 million bu vs 171.3 million a year ago. Thus, adverse weather has been harmful only to the extent that there is still a larger proportion of grain in the field, and farmers mayhave to wait until spring before it can be taken in. However, a dry, cold winter might enable some harvesting operations, but one cannot figure on such a situation at this time. The worst province,in our opinion, is Alberta where nearly half the wheat is still in the fields. They raised 150 million bu; so sizeable quantities are still to be dealt with, but in view of the fact that there is a great transportation problem in Canada, we doubt whether this is too serious unless we should have a very wet spring and a portion of the grain is lost later on, or at least quality is hurt. Canada's 1950 harvest was exceptional because of the large percentage of low grade wheat. The Wheat Board in that country received 160 million bu of sub-standard wheat on last year's crop, and this quantity obviously could not be sold within twelve months, at least at prices that the government was asking.

There were serious feed shortages in various parts of the world, and it is our impression that more poor wheat could have been disposed of to the sterling countries, which were quite busy buying corn and other feedstuffs at that time. Nevertheless, it was not done, and thus Canada is now faced with the unusual problem of moving a crop and a half at a time when the country's transport system is engaged in a rearmament effort, when a lot of space in country and port elevators is occupied with low grade wheat, and when lake tonnage is engaged in the handling of ore, so that the huge movement which one would expect when a bumper crop is raised is presenting tremendous difficulties to the Canadian officials.

The carryover feeling from yesterday was quite bullish, and with some snows reported in Iowa and a few in Illinois, there seemed to be further bullishness expressed in the corn market this morning, with new highs again registered. It seems that Commodity is requiring any prospective corn buyers to show hardship cases, which in effect means that they are unable to buy their grain through regular channels, plus the fact that they must sign certain papers making guarantee to that effect, and also, that corn will not be exported, all of which will tend to reduce quantities of government grain that are disposed of. In other words, CCC has adopted a policy of refusing to offer its corn so long as supplies can be had from private stocks. We understand that OPS is watching the upward course of the corn market because of ceiling implications, but the Feed Branch will not act until the Department of Agriculture certifies that the price has reached parity, in which case corn might automatically be removed from the ceiling exempt list. Nobody knows how and when this may occur, if at all, but at least it is something to think about. Australian wheat prospects have improved slightly, although not more than 150 million bu wheat is in sight, which would be 33 million smaller than last year when an average yield was had. Australia consumes about 68 million bu at home; so there will not be too much left for export.

Primary receipts of wheat were 1,778,000 bu compared with 1,408,000 bu last week and 1,499,000 bu last year. Kansas City and Minneapolis stocks so far this week show a reduction of a little over a million bu. When the visible supply is posted on Monday it will compare with a shrinkage last year of 1.6 million bu.

There was a good deal of nervousness today when the government made it more difficult for domestic users to buy CCC corn. Everyone had figured that the loans were a protection to farmers in the way of price support but that there would be liquidation on advances such as we have had in order to combat inflation. We heard, however, that they were still offering export corn, fob Atlantic at 18 1/2 over Chicago December. Nevertheless, shorts were fearful that ceilings might be reached. There was considerable short covering and new highs were registered for many of our cereals during today's session. Toward the last, there was profit-taking. There were also reports of some snows over parts of Texas and New Mexico. The result was that wheat closed but fractionally high. It was reported that open permits for shipment of corn to New Orleans were temporarily cancelled.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 19, 1951

It is now assumed that with wheat prices supported at a minimum of $2.17 a bu on farms, enough will be produced in the summer of 1952, not only to meet domestic and export requirements, but to provide for an increase in the carryover at end of the following marketing year. This all on the assumption that we shall have average growing conditions, and certainly the winter wheat crop has gotten off to a good start with the exception of some portions of Texas and Oklahoma, which did not receive as much moisture as was necessary to obtain the best results. We started on July 1, 1951, with a crop and carryover of 1,388 million bu. There is a good deal of speculation as to what the domestic consumption and exports will be in the current season, particularly as adverse weather in the Southern Hemisphere has increased the demand from abroad, and a good many experts feel that possibly the feeding of wheat may be considerably higher than in ordinary years. Use of wheat in the U. S. during the 1951-52 crop-year may be 30 to 40 million bu larger than the year earlier, but if this is the case we would rather imagine that the additional amounts utilized would be due almost entirely to the extra quantity of wheat imported from Canada and that will be used for feed. There are some well posted people who believe that we may ship from 350 to 400 million bu wheat this season, but even if this is the case it looks as though our carryover reserve next July would still be about 300 million bu, and potentially a very large percentage might be available for the free market because of the fact that high prices will undoubtedly cause heavy redemptions. If the yields next summer are about average on an acreage goal of 79 million, we might raise 1,165 million bu, and this figure might finally be expanded because there is some thought that the goal may be extended and that possibly 80 million acres may be planted. We shall know more about that next December.

In any case we see no permanent shortage and while Canada has suffered owing to the fact that so much of last summer's grain could not be harvested during the fall months, there could easily be heavier offerings in the spring all on the prospect of some improvement in rail transportation. For the time being we believe that some caution should be exercised, although every time there is talk of exports, as was the case this morning, hedges are removed. We learned of two cargoes of wheat presumably sold to Holland for last half December shipment, which figured 24 3/4¢ over Kansas City December FOB gulf. This would almost permit the shipment of grain from Kansas City, so that undoubtedly our visible supply will continue to decrese right along and new arrivals from the country are not pressing on the market so that there is no indication of any immediate sharp break. As a matter of fact, the technical position of the market may be sounder than is indicated by mere figures. During the past ten days or two weeks, there may have been 8 to 12 million bu wheat sold for export, and possibly a similar quantity of hedges purchased. Ordinarily this would have given us a large increase in the open interest, but the expansion has been very slight, which would suggest that as the market advanced long lines have also been liquidated, and possibly profit-taking of this sort has been quite substantial.

There is still a feeling in many quarters that inflationary factors are to be dealt with and governmental spending by mid-1952 may be close to $81 billion a year. Irrespective of what happens in Korea, war spending is likely to move up sharply and money still to be obligated amounts to nearly $63 billion. It is also likely that consumer spending will rise next calendar year, which in turn might bring about higher parity levels than we have seen thus far. Some shift in the types of spending may take place but will not necessarily affect total activity.

Late in the session it was reported that three cargoes of Gulf wheat had been sold to India, which made five in all sold today; also that India had bought a cargo of soft white wheat out of the Atlantic on Saturday.

The wheat visible supply showed a decrease of nearly 7 million bu reducing stocks to 181 1/2 million or 42 million bu under a year ago. Chicago lost 268,000 bu during the week and there is still 8 1/4 million bu here. The visible supply of corn stocks increased nearly 2 million bu to a total of 38 1/2 million, but this is 4 million bu under a year ago. Chicago has a stock of 9,659,000 bu after an increase of 82,000 bu during the week. The stock of oats continually decreases heavily in this market, and after a reduction of 406,000 bu during the week there is under 9 million bu remaining. Soybeans increased 5,000 bu to about 3 3/4 million bu and in all markets 575,000 bu increase bringing the stock to 11 1/2 million bu compared with 15 1/2 million bu a year ago.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Nov. 20, 1951.

News from Korea was less favorable, and while there are still discussions between U. N. and Communists with respect to a possible truce, there seem to be some obstacles presented, and the Reds are apparently going back to some of their early demands, which might set the talks back to where they were when the negotiations started on July 10th. The Communist broadcasts, which may have been for propaganda purposes, have filled the air with new and bitter charges of atrocities in Korea, all of which is extremely disappointing in view of the fact that some progress had been expected.

The cotton market which opened earlier than grains showed rather substantial advances, and it was almost a foregone conclusion that we would witness further strength here, which was the case, particularly in corn. Prices are probably not too far from likely ceilings, but the Department of Agriculture we believe must first agree that such action is proper before OPS may act. Just what this price will be is anybody's guess but there must be correlation, not only with parity taken into account, but also, comparisons with other feed grains and the various finished products, such as hogs, poultry, etc.

There was also an article in one of the financial papers calling attention to statements coming from Washington that commodity men were figuring that there was 300 million bu frost-nipped corn from the 1951 crop that might be of such poor quality that it would never be harvested. Others thought that it would be consumed in the field by animals, but it was claimed to be the greatest loss of similar character since 1932. Even assuming a carryover reserve of 750 million bu, the newspaper article placed total supplies at 3 1/2 billion bu marketable corn, and on that basis it was concluded that the reserve stock next October would be cut to 400 million bu. Undoubtedly this had quite a little influence on our market, although little regard has been given to the possibility of smaller feeding. We note in the hog receipts at Chicago that the average weight per animal is 237 lbs compared with 244 last year, indicating that lighter weights were undoubtedly the result of a less favorable feeding ratio, but yet today's receipts of hogs were somewhat smaller, and this was responsible for higher prices being registered. It is naturally difficult to stop feeding operations during the season, but we do believe that unless there is some improvement in the relationship a good many farmers will decide to market their hogs whenever they can do so properly, and would sell corn rather than to take the risk of obtaining low prices for animals at a later period. The fact that some corn and milo was sold overnight was regarded as bullish, and the line of least resistance is still on the constructive side of the market. Undoubtedly a good many people who were buying cash corn in the country are afraid to hedge it now with the possibility that a ceiling may be reached and they may be locked in their position.

Soybeans were also very strong when our market opened, and apparently CCC bought a cargo yesterday and were presumably in the market for further quantities for export. It was also reported that Holland had purchased 2,000 tons of milo, and 5,000 tons of corn, and also that the U. K. had purchased a cargo of milo. These were factors that impressed the trade as against small volume of flour business with apparently bakers somewhat reluctant to take on new commitments except as needed.

Primary receipts of wheat were 1.4 million bu compared with 2.3 million bu last week and 1.6 million bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 50,000 bu.

Trade was fairly active, but on the advance there seemed to be quite a little profit taking, and this was especially true in wheat so that finally the leading cereal showed a fair decline. Contract stocks in Chicago are still 3.6 million bu, which was only a slight reduction from the week before. Included in this quantity of grain is 3.1 million bu #2 red wheat.

While corn prices held reasonably well, there were reports that moderate quantities were coming to Chicago from the Northwest and from Iowa. This accounted for the lower test-weight. However, the rank and file of traders still seem to be bullish because they feel that feeding operations are going to be heavy and they also point to a large percentage of soft corn with which we are going to deal. We also heard that the ECA had allocated large sums of money to Austria for the purchase of bread-grains, corn and sorghums, shipment to be made between November 16th and end of February. There was also an allocation made to Yugoslavia for lard and it is these grants of money from time to time that makes export business possible on such a lively scale. UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Nov. 21, 1951.

Before our market opened this morning it was learned that there had been pretty heavy flour business overnight, with a southwest chain baker coming in for supplies. This, of course, necessitated the removal of hedges and we had a very firm opening with May wheat probably the strongest future --not surprising because it had been relatively depressed yesterday. There was also news that IWA maximums had been raised 10¢ at both Atlantic and Gulf ports, which it was said would put spring wheat in line for shipment abroad. In our opinion the whole system under which we are operating now in connection with the wheat agreement seems unnecessary, particularly as the cost to the taxpayer must be at least $250,000 each time a cargo of wheat leaves these shores. Certainly in a season when there are crop failures in Argentina, Australia, and poor offerings from Canada it would seem that the demand for our grain would be rather constant without our having to pay a bonus for getting rid of something that the whole world wants. We appreciate, of course, that all these arrangements were contemplated and made before anybody had an idea that we would be the main source of supply. But this only demonstrates how futile it is to try to figure out two or three years ahead of time what should be done in the event of changes such as we have just recited.

Under the supply and demand economy we do nothave to worry about these various factors. In other words, the price would go up in years when the demand improves and supplies are moderate, which would be an offset to the reverse taking place when there are surpluses and the demand is of a poor nature. However, the government, and in fact, all governments of the world, seem to want stabilized prices. In themselves these are very costly. We have seen many figures trying to justify that the support program has not lost too much money, but, of course, no mention is made of the wheat that CCC turns over to other agencies, and which may finally be given away or sold on credit. It is these invisible losses, like indirect taxes, that are difficult to compute, but which, nevertheless, have changed our entire economic structure.

Broomhall's Foreign Crop Summary speaks of occasional rains over Western Europe during the past week, but there have been hardly any complaints. It seems that clear, mild weather is wanted for some areas in order to complete seeding. Italy is probably the exception where they have had floods and too much rain in many farming districts, but the moisture situation on the Continent is fairly good and satisfactory germination is anticipated.

Corn bookings were quite good overnight. Several houses bought considerably more than they had been getting recently, and after the first small advance the market turned somewhat weaker, although we are not too sure that everything is being hedged and the question of ceilings is still creating a problem to many traders who at other times would use the futures market quite religiously.

The U. K. was a heavy buyer of wheat overnight but their takings consisted of 2 1/2 million bu Manitobas, also a cargo of hard winter wheat from the Gulf. Britain also bought 4 cargoes Pacific Coast white wheat from Portland, and a parcel of U. S. soft wheat, but apparently not enough to be of market significance. However, the increased subsidies may permit further business as time goes on. Broomhall states that British millers must use 30% home-grown wheat, 10% maximum of Canadian #1 and #2 northern, and maximum of 35% #3 and #4 northern, and 10% of #5 wheat. Also 15% of other imported wheats of which not over one-third must be Australian; the balance of the latter will probably be bought in the U.S. This shows that despite lower quality of the Canadian wheat both last year and this, it is going intoconsumption in important markets. It alsoindicates that the U. K. will be a moderate buyer of our wheat.

Primary receipts of wheat today were 836,000 bu, about half what they were last week, when they were affected by the holiday, and slightly over a year ago. Minneapolis and Kansas City stocks have increased 26,000 net so far this week.

The Iowa State Report states that 39% of the total corn acreage had been picked by November 17th, which, of course, compares with a near completion a year ago, but it is about twice as large an amount as had been picked the previous week.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Nov. 23, 1951.

Since the first of August, Broomhall compiles exports fromthe principal countries at about 284 million bu compared with 193 million bu a year ago. This 90 million bu in excess of a year ago brings the excess since the 1st of January to around 300 million bu. We fully appreciate that there is apparently no large stock-piling in European countries, although it seems evident that such countries as Italy, Belgium, and even the U. K., Germany and Eire purchased more than they needed up to theend of last August for current consumption. The fact that large world shipments continue would indicate that there are good supplies available in importing countries. The big increase in imports, however, is coming from ex-European areas, which last season was three times as large as before the war, and even yet, as Broomhall expresses it, they doubt whether the full extent of the expansion has been revealed. We subscribe to his further thoughts, that altough there is a rapid rise in populations and urge for higher living standards, and countries which traditionally produce surpluses are retaining more for their own use, the needs of deficiency countries become exaggerated. Japan, India, and Ceylon unable to obtain rice bought 160 million bu wheat in the world's markets instead of about 32 million bu which they bought before the war. We understand that the delay in expanded exports of rice from normally surplus countries is the handicap of unsettled conditions which creates a bigger demand for wheat and some of the other grains. As example, Japan is buying more barley for edible purposes. Efforts are being made by some of these importers to step up their own production. It is in their own interests to do so, and again referring to Broomhall we agree as he states that it is in the interest of the United Nations to encourage them. Machinery and technical knowledge are being made available as rapidly as the rearmament program of the western world permits. India has vast river valley projects, which may come to fruition in four or five years' time, and there are similar long-term projects elsewhere.

With it all, however, we can trace at least part of the trouble to the restrictive influence exerted by the Western and United Nations on the world wheat prices. The danger of controlling the wheat price is great. The IWA stretches out into all countries and the Australian wheat farmer, as example,prefers wool to wheat; the Indian farmer jute and cotton to wheat, and the Egyptian farmer cotton to wheat, which it seems is something that the planners should not ignore. Egypt is currently taking up to 40 million bu a year compared with virtually nothing in prewar years, Ceylon, ten times as much; however, still only about 10 million bu. Such countries as New Zealand and Peru are taking about twice as much; Mexico greatly more, and Brazil also larger quantities. These import needs are accentuated this year, with such a small production in Argentina, which country is handicapped by the lack of machinery, and, of course, the unfortunate drought. Australia, which country, like Canada in the IWA, sells at IWA limits, which are considerably lower than the world level of price otherwise, cannot encourage their farmers to produce and expand acreages. If Argentina produced more they would probably have competition from lower IWA prices. European countries still have smaller wheat acreages than prior to the war, so that they rely greatly upon increased imports especially from the United States. There is no doubt that price incentive brings production. The world can note at the present time,where the United States is the leader; that our farmers are paid the full world's market level, and we believe that if this incentive were available in all free countries it would help to bring a more normal condition in the wheat supply and demand situation, and also help to balance budgets.

The Korean news touched off a wave of liquidation in grains, with considerable sold during the session. We have not heard of a great deal of country selling, however, and the amount of export business which develops will influence the market. However, with the rapid increase in the open interest it is evidence that there are a number of hedges in the markets, and which will finally have to find commercial buyers. The export business over the holiday consisted of two cargoes of wheat, two cargoes of corn, and one cargo of milo. Holland bought all the wheat, and the balances were divided between Holland and United Kingdom.

Primary receipts of wheat were about 1 3/4 million bu, about the same as last week, but compared with 2 1/2 million bu a year ago. Kansas City and Minneapolis wheat stocks show a net increase of 65,000 bu so far this week, but we will probably have a decrease in the visible supply when it is posted on Monday, and probably in excess of last year's 2,130,000 bu decrease.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
EW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
EW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 26, 1951

The recovery in the wheat market Saturday was due in part to contemplated xport business, and it is expected that Germany will be in the market for 150,000 ons spring and soft winter wheat out of the Atlantic and an additional 50,000 tons out of the gulf. This business is presumably to be consummated the early part of this week. According to Broomhall, most of this business will be from the trade in genera as CCC is not a seller and it is also contemplated that further export business is in the making. The wheat market has been further stimulated by Washington information, according to The Northwestern Miller, that officials of the USDA face a problem of assigning the balance of the U. S. wheat export quota to such nations as may be selected as most deserving of our supplies. It is thought that the Department will act on this problem some time this week. The balance of our export quota will fall short of the expected demand for these supplies. According to USDA officials the over-all exports of U. S. wheat this year will exceed the 255 million bu under IWA quota, and according to the same source might run between 375 and 400 million bu. This is, of course, the highest estimate that has been made on our probable export business. Export quotas for November and December have not as yet been announced, and we are now within the last five days of the current month. It appears that the IWA export quota of the U. S. would be exhausted during the first quarter of the new calendar year, and much will then depend on supplies available from Canada.

Artificial controls and governmental regulations have seriously interfered with exportable surpluses of other countries. The Argentine wheat crop has been declining ever since the Peron government came into being, and in June 1946 created a state export monopoly. Money that should have gone to farmers has poured into the Argentine public treasury leading to a most inequitable operation in what was one of the world's greatest grain exporting nations. Each year the governmental agency announces the price it will pay growers for their grain, and the wheat is monopolized directly by the government, both for export purposes and for domestic flour sales. The price paid to the farmer has been consistently below values that could have been obtained in the markets of the world. As an example, last year the Argentine producer was paid about $1.67 for his wheat, while some export deals consummated by the government brought the price upwards to $3 a bu. Thus instead of encouraging the production of wheat, the producer has been discouraged.

Turning to India in their objective of obtaining more foreign exchange and reducing the purchases abroad of raw jute and cotton and increasing the export of textile goods, 7 million acres have been diverted from cereal production from commercial crops, such as jute, which has been doubled from 8 1/2 million to nearly 17 million acres, while the acreage devoted to cotton has increased by more than 4 million acres. The government of India has abandoned its policy of self-sufficiency in food and in that way looks to other exporting countries for such supplies as they should be raising themselves.

Over the week-end fairly good rains occurred in southern Kansas, Oklahoma, and Texas, and some moderate rain and sleet over the corn belt. The forecast is for partly cloudy and warmer with mild temperatures for this season of the year in the Northwest, with generally fair and warmer weather by Tuesday in the Southwest and in the corn belt.

It is contemplated that the Advisory Committee for corn and oats is likely to be called the week of December 10th to discuss formal price-ceiling orders as some OPS officials believe that these two grains may move into price ceiling zones by mid-January. It would appear that CCC with their holdings controls the price of corn and even though the next estimate may show some shrinkage due to soft corn, were they to offer supplies which they control more freely into commercial channels the situatio could be considerably eased.

Primary receipts of wheat today totaled 1,613,000 bu vs. 1,377,000 bu a week ago and 1,647,000 bu the comparable day of last week. When the visible was posted wheat showed a decrease of 2,866,000 bu, leaving the total now 178,618,000 bu, or approximately 43 million less than a year ago. Corn visible showed an increase of 1,151,000 bu bringing the total to 39,801,000, or approximately 6 million less than a year ago. Chicago stocks of wheat decreased 155,000, leaving 8,119,000 in this market. Corn increased 50,000 bu and oats decreased 273,000.

According to The Southwestern Miller flour business over the week-end was small to moderate with a little more business in spring varieties than in hard winters.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

It was reported that the U. K. bought a million bu tough Manitobas but we did not hear of any wheat export business from this country. UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 November 27, 1951.

We mentioned in our letter of yesterday that there is a contemplated meeting to be called in Washington the week of December 10th to consider ceilings on corn and oats. We have always advocated free enterprise and have always believed that price controls do not restrain inflation, and when prices are held down artificially the result is to increase the demand. High prices encourage increased production while on the other hand controls often tend to contract production. Bottlenecks are created and it was only within the last few months that price increases had to be granted to the machine-tool industry in order to step up production. We are in accord with the views of Dr. Emerson P. Schmidt, Economic Research Director of the U. S. Chamber of Commerce, who states that "a free price performs an enormously important function, and when it rises it helps to conserve scarce supplies and stimulates greater effort in production; the use of substitutes is encouraged. Price in a free economy expresses the equilibrium between supply and demand." This country back in the days of Pres. Theodore Roosevelt embarked on a program of anti-trust laws to break up monopolies, which are controlled prices at a higher level than those set by a free market. We have seen in our agricultural programs, such as took place in potatoes and other commodities, where the government support programs oft pegged prices above the market, and this is a monopoly.

Price controls are probably as old as history. They were used 2,000 years before the birth of Christ in Mesopotamia. In 301 A. D., Emperor Diocletian attempted same in Ancient Rome, and according to one historian the edict was until our time the most famous example of an attempt to replace economic laws by government decrees. Its failure was rapid and complete. France tried it 150 years ago during the French Revolution with the consequence that farmers brought in as little production as they possibly could. This increased the scarcity and the larger cities were put on allowance. Many were led to the guillotine, who were charged with violating the maximum laws, and according to Andrew Dickson White, who wrote on "Fiat Money Inflation in France," manufacturers were generally crippled and agriculture was fearfully depressed. As we mentioned in our letter of yesterday, we have seen some results of controlled prices for agriculture, in the decline in wheat production in the Argentine and of cereal production in India.

Considerable export business was consummated overnight with Germany buying 7 cargoes red wheat, 5 cargoes two hard wheat, and about 7,000 tons spring wheat. It was also reported that Austria bought 4 cargoes corn and 2 cargoes milo. This business was not entirely in evidence in new buying in the pit, as we believe that quite a little had been anticipated in the past several sessions. According to one repo the two northern spring and two red winter were all sold below replacement basis of last night's close. It is believed that exporters were large purchasers of cash wheat in our Northwest market yesterday. We further understand that the purchases are being all-railed to the Atlantic seaboard. We point out this one fact as it may mean less possibility of spring wheat being worked to Chicago.

According to the USDA, for the week ending November 20th, sales of slightly over 9 million bu of wheat and flour, as wheat equivalent, were confirmed under the IWA quotas. This brings the total sales up to that date to 147,182,000 bu leaving an unsold balance of the U.S. quota as 107,967,000 bu. In this connection, wish to point out that the present subsidy from the Gulf to Europe is 72¢ a bushel, or on an average boat of 350,000 bu, the actual cost to the taxpayers of this country is about $1/4 million per vessel. This seems a rather staggering load to be fostering upon this country at a time when the world is looking to us for such large portions of the import requirements. The holding down of the world's price is not only costly to this country but is seriously retarding the raising of wheat in other exporting countries, such as Australia, although the last private estimate for that country places the crop at 160 million bu compared with an earlier estimate of 145 million bu and a crop of 183 million last year and 217 million two years ago.

The weather forecasts in this country are favorable throughout the grain belts with milder temperatures predicted for all areas. According to The Southwestern Miller, sharply advancing wheat and flour prices have proved a powerful brake on flour business, with mills reporting only small volume booked overnight. It is reported that Italy is expected to buy around 4 cargoes of U. S. wheat tomorrow, which was a stimulant to our markets and all old-crop months of wheat went into new high ground for the season.

Primary receipts of wheat totaled 1,594,000 bu vs 1,415,000 bu a week ago and 1,797,000 bu on the comparable day of last year. So far this week, Minneapolis and Kansas City wheat stocks show a net decrease of 172,000 bu.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Nov. 28, 1951.

The news from Korea this morning was very much more encouraging, with instructions given the U.S. 8th Army to stop shooting at Reds in Korea, but to stay under cover and defend themselves. The front lines have been warned not to relax--that the war is not over, but as one correspondent reported, the allied ground force: have stopped shooting at the Communists for all practical purposes.

This news gave us a somewhat lower opening although support was furnished the wheat market by the reported purchase by Holland of 2 cargoes hard winters fromthe gulf and the purchase of 3 cargoes by Germany of soft wheat out of the Atlantic. We understand that red wheat sold recently is within about 1 1/2¢ of being workable from Chicago, but red wheat was sold out of Chicago to an exporter equal to a futures delivery basis. With spring wheat being worked from the Northwest all-rail to the seaboard, there does not seem to be much possibility at the moment of replenishing stocks in Chicago, unless the spread widens further.

Broomhall points out in a recent article that the post-war stabilization plan for Australia has failed and that there is some question as to whether that country will be able to fulfill its quota obligations under IWA. The present crop is estimated at approximately 160 million bu, with a home consumption of 80 million bu, and 87 million allocated under the Wheat Agreement. There should have been ample time since the war for high prices to cure themselves, to increase production, which is the only remedy for inflation. This has not worked and again points out the failure of planning. There has been a steady loss of wheat acreage, particularly in New South Wales, which has been caused by high wool prices, shortage of machinery, fertilizer, transport and other difficulties. Using the 1947-48 figures as par, the relative return of wheat producers has declined to 88%, while in wool the returns have increased to 382%. Apparently neither the Australian nor the Argentine farmer wants to produce wheat, and areas in both countries have been turned over to other crops, to sheep, farming, or left fallow, and the apparent reason is that too much value is syphoned off before the farmer is paid. The reactic on the welfare of the whole world has been detrimental. An abundance of food production is the antidote for inflation, not artificial control of prices. At the time the IWA was entered into the stability of such a pact was greatly questioned. In this country for the first several seasons when supplies were more plentiful, the world did not come to us for the full quota. Since that time we have steadily advanced the subsidy from 26¢ a bu, basis the gulf, to Europe to the present figure of 72¢ a bu, or the equivalent of about $250,000 per cargo.

Weather has turned favorable throughout the grain belt with fair and milder temperatures. The Iowa weekly crop bulletin points out that through the entire state during the past week about 62% of the total corn acreage had been picked by November 24th. The week previous it stood at 39%, and two weeks prior at 23%; so considerable progress has been made and should continue. The present harvest compares with 57% harvested by November 23, 1946, which was another year when harvesting operations were delayed by high moisture content corn. The report further comments that much of the corn is still too high in moisture for safe long-term cribbing and that the quality as a whole is below average.

Broomhall's Foreign Crop Summary mentions that rains in many districts of the European Continent have improved soil conditions, although moisture in certain areas has further interrupted planting, which has already been backward. It is expected that the acreage may fall short of expectations and that a larger percentage than usual will be spring sown. Outside of the delay in seeding, there has been good germination. Recent rains in the Argentine have permitted some late seeding of corn although too late to cause any material improvement in wheat. The India drought has been relieved somewhat by moderate beneficial rain over most of the country.

Primary receipts of wheat today totaled 928,000 bu vs 836,000 bu a week ago, and 702,000 bu on the comparable day of last year. So far this week, Kansas City and Minneapolis stocks show a net decrease of197,000 bu.

The Kansas Weekly Crop Report states that the condition of the new winter wheat crop remains excellent, while the Oklahoma Report pointsout that soil moistures are adequate in all areas of the state, except in certain sections of the south-central and extreme southwestern areas, with the growing crop in good condition.

The main feature to our market today was strength in December wheat. The report is some wheat was sold out of Chicago on a delivery basis, which leads to the supposition that there will not be much wheat on tap when the first of the month rolls around.

This is not a solicitation of any order to buy or sell, but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Nov. 29, 1951.

There was further export business in wheat today, with Austria reported taking three cargoes of spring, while Italy purchased 4 cargoes; also Germany and Finland each bought a cargo. There is still a considerable interest on part of U.K., although shipment probably will not be made until February. However, so manyof the European countries appreciate that their best source of supply is from the United States, and with that in mind there has been a very active trade during the past ten days, to get within IWA quotas.

According to Broomhall, wheat and flour shipments were nearly 7 million bu last week, and since July 1st they have amounted to 160 1/2 million bu compared with only 85 1/2 million a year ago. There has been a little improvement with respect to quantities available in other exporting countries, although not enough to be of an important factor. Australia, if she raised 160 million bu, will probably have enough to take care of IWA requirements. Recent rains in the Argentine have done more to help the corn situation than wheat, and with small acreage in that country we doubt whether shipments will amount to much during the next 12 months.

There is, however, some improvement in the Canadian weather after a very cold start, and considerable snow, temperatures have moderated, and we believe that more wheat is being gathered, although we do not get concise and frequent reports from that country as we do at home. Nevertheless, the situation next spring may be quite different from the present time, and unless there is a good deal of moisture there is still a possibility that much of the Canadian wheat can be gathered without heavy losses. Meanwhile, shipments from Canada are big; we believe that most of the difficulty has been transportation rather than shortage of supplies. Canadian clearances last week were the largest for any week so far this season, with 7.8 million bu sent overseas. This does not include some wheat which was exported in the form of flour, nor the U.S. imports, which, if all taken together, might boost the total to 10 million bu. If the mild spell continues in the Prairies, especially in southern Alberta, where thermometer readings have been as high as 50 during the past day or two, certainly localized areas might be able to get more of their grain under cover before real winter weather sets in. It is probably for this reason that May wheat has not responded to the same extent as the nearby deliveries. A good many people feel that if Canadian wheat is more plentiful in spring that we may not have quite the export outlets then that we do now. In any case, there may be more competition, and it is our belief that the carryover reserve on July 1, 1952 might be close to 300 million bu, a large part of which may comprise free wheat; thus, the situation might not be tight, as it would give us a larger quantity of wheat available for the market than last season when we had 395 million bu carried over, but half of it was under government domination.

Primary receipts of wheat were 1,605,000 bu, a week ago was Thanksgiving Holiday, while a year ago receipts were 1,793,000 bu. Kansas City and Minneapolis stocks so far this week show a total decrease of 437,000 bu.

There was little news to account for today's weakness, except that we have had sharp advances, and, of course, reactions are always likely as profit taking sets in. It was still very dull in flour circles, nothing much booked, and according to The Southwestern Miller, in some instances there was a total blank in sales for a number of mills. We understand there is a possibility that there will be some wheat tendered on futures contracts in Minneapolis, and also, we may have 1/2 million bu tendered in Chicago, but the quantities are not apt to be large as a good deal of the red wheat in this market was presumably bought by one of the leading mills. Corn was inclined to weakness. The hog-corn ratio in Chicago is 9.8, a slight improvement over last week but this compares with 11.1 last year.

Weather was a little better although mild over parts of Illinois and lower temperatures might be more desirable. Soybean crushings were heavy during October but with the general lag beans were slightly easier.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Nov 30, 1951.

There was a little further export business this morning, and before the opening reports were current that 2 cargoes No. 1 Northern Spring Wheat had been sold to Denmark for February shipment. While there may be a lull for a time it seems that many of the countries participating under IWA are trying to get their requirements while there is still time because there is a vast difference not having to pay the full market and in getting the subsidy, which amounts to about $250,000 on each cargo shipped from this country.

The more we think of this program the more convinced we are that there is a limit to the charitable projects that our economy will support. Wealthy as we are we have engaged in deficit financing for 20 out of the last 22 years. We have seen other countries that formerly were wealthy also, as for example, France, with its tremendous resources and great agricultural projects. She tried to survive on deficit financing during the last 35 years and anyone who reviews the history of that period knows what has happened. Ours has been a happy and an honorable existence, and with about 7% of the world's population in this country we have been able to produce more new wealth every year than all of the other 2 billion people combined. There is no sound explanation beyond the fact that we have been a people of individual initiative, with a free enterprise system, being inspired by a high degree of personal freedom we have enjoyed. Yet those very traditions and ideals which have made us great are now under attack by certain elements, and many of our old and long-accepted principles are being branded as "old-fashioned," and belonging to the "horse and buggy age." Unfortunately, the hard work, thrift, self-reliance, and personal responsibility, indeed, the pillars upon which the American system was built, have been largely ignored or scrapped.

The government has published figures giving total exports of wheat, flour, and macaroni at 150 million bu from the period of July through October, or the first four months of the crop year. This compares with less than 70 million shipped during the similar four months of 1950. We believe that when Broomhall takes this data into account he may have to raise his own figures by 15 million bu in computing the total clearances up to the present time. It all adds up to one conclusion: namely, that much of the price enhancement was due to these shipments, but by the same token present levels permit redemptions of wheat on a heavy scale. These stories come to us from both the Northwest and the Southwest, so that very likely when the crop-year ends next July, we shall have to count on most of the wheat being out of government domination and in free hands. Thus, from a market point of view we may be dealing with as much wheat in commercial channels, or even more than we had last July, all of which is bound to be a factor if crop prospects are maintained.

The Santa Fe Railway report is quite optimistic with respect to Kansas, where they say moisture is plentiful, and a wheat acreage probably exceeding 15 million acres sown. Oklahoma presents a more varied picture because they have adequate moisture in central and eastern sections but not enough in the western parts, although it is said that over most of the real wheat belt prospects are about normal. Texas has suffered from two years of drought and moisture early in November brought most of the new wheat up to a fair stand, although many fields do not have sufficient growth for protection against possibility of high winds. Our own reports indicate that about 4 1/2 million acres has been sown to wheat in Texas, with possibly 600,000 acres still to be seeded. Condition is generally good on the North Plains but dry from Amarillo south to Lubbock, and a good soaking rain would be desirable; in fact, moisture is needed for all the Panhandle area.

Primary receipts of wheat amounted to a little over 1 1/2 million bu compared with 1.7 million bu last week, and 1.6 million last year, Kansas City and Minneapolis stocks so far this week show a total decrease of 662,000 bu. When the visible supply is posted on Monday, it will compare with a shrinkage last year of 1,780,000 bu.

Trade was fairly active. After mid-session, we heard that the sale to Denmark was not confirmed owing to the fact that the quota had already been subscribed. This put some hedges back into the pit, with the result that late markets were a little weaker. There were substantial deliveries on oat contracts with nearly 4 million bu tendered, but this had very little influence. As a matter of fact, the deliveries of wheat and corn did not depress the nearby deliveries and actually there was December corn wanted at 4 1/4¢ under the May future. The country is not selling much corn and the basis is fairly steady.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 3, 1951.

The cost of government has risen so tremendously that few people appreciate the implications nor the speed at which we are going. For example, there was $113 billion spent in the first 144 years of our history under twenty-eight Presidents of the United States. Then came the New Deal, which in twelve years spent $376 billion, and in the last seven we spent $327 billion more. It is estimated that $400 billion more will be paid out during the next eight years unless something is done to curb wastefulness in various fields. Too many people accept spending and inflation in a very matter of fact way, and as long as the pay checks go up in about the same proportion as the goods and services they need, there seems to be more or less tranquility and not much concern. However, the pensions that have been provided for them will have a lesser buying power in later years than when the money was invested, and the savings of those people will continue to depreciate unless something is done. Congressman Buffett recently pointed out that the holders of government bonds lost more of their savings during 1950 by the process of government-engineered inflation, than the entire country lost in all the bank failures between 1921 and 1933. The holdersof United States savings bonds in 1950 lost $3,600 millions. The total losses by bank depositors from 1921 through 1933 total only $1,900 millions. In other words, the government confiscated gold, perfected a method of converting the public debt into paper dollars, and employed the device of inflation to dilute the value of our currency.

When our market opened prices were very firm, particularly in wheat, although export business was on a smaller scale. IWA sales have been filled with the exception of 97 million bu, which in a sense is a bullish factor because it shows the demand for our grain, but on the other hand we believe that if the full price has to be paid by importers, there will be more care used in further purchases. We find that through October the impoundings of wheat have amounted to 165 million bu. This compares with 142 million last season, and both are gross figures, as there has been no allowance made for redemptions. The latter will probably not be made known until some later date, but from all we hear there has been a good deal of loan wheat repossessed, and some of this pressure was felt last week, although partly offset by the large export sales. Impoundings of grain, other than wheat are relatively small with less than 9 million bu grain sorghums placed under government loan, 3.2 million bu beans, 9 1/2 million bu oats, and 13 million bu barley. During the month of October about 44 million bu was temporarily taken from commercial channels, which is a relatively high figure but we still believe that potentially most of the wheat in the country is free, and this is apt to be a factor next spring if prices remain high.

There was a slight decrease in Chicago wheat stocks leaving 8 million bu still in this market. Corn increased 529,000 bu locally to a total of 10 1/4 million bu. Oats decreased 288,000 bu leaving 8.4 million bu here, together with 1.7 million bu in bond. Beans decreased 590,000 bu leaving 3 million bu in Chicago. The U S visible supply of wheat decreased 3 million bu, leaving 175 1/2 million bu in all positions, or 44.3 million bu less than last year; corn increased 2 million bu to 41.8 million compared with 48.2 million a year ago. The oat visible decreased 440,000 bu leaving 24.6 million bu in all positions; this is 9 million bu greater than a year ago.

Best prices of the day were not maintained although July wheat made a season's high and the nearby deliveries were relatively strong, although Minneapolis December wheat ruled at a discount of about 14 1/2¢ under us. We did not hear of any spring wheat that might be coming here. Flour sales over the weekend were very light. However, it is almost time for new business and minor declines in the market would undoubtedly encourage it. We heard that Austria was inquiring for offerings of several cargoes of hard winters to be offered within the next few days, and also, were showing an interest in buying one or two cargoes of corn. The yellow cereal was quite firm and country offerings are extremely light. We understand now that the Corn and Oats Industry Advisory Committees that were scheduled to meet the week of December 10th with OPA have been limited to the discussion of corn at the first session, but this will probably not occur until about December 17th. There is still talk that if ceilings are imposed that they may be somewhere around the $2 level but nobody can be sure of it.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 4, 1951.

People are being encouraged to look more and more to Washington for their economic and social salvation. However, what this country needs in place of more security is greater opportunity. It was free enterprise and opportunity that made us the great nation we are today. However, when we analyze this carefully nobody is more secure than an inmate of an asylum or a penitentiary, for such an individual has food, clothing, shelter, protection, and medical care, but it is all at the cost of liberty. To provide greater security, simply means more and more federal taxation, and finally the burden is bound to fall heavily on those in the lower income tax brackets. If all personal taxable income of $25,000 a year and over were confiscated by the government, the amount would be sufficient to pay the current running expenses of the federal government for only about 10 days. Thus, there can be no doubt that as our tax burdens expand those in the lower income groups will have to spend an increasing number of days working for the government and will finally be forced to bear the bulk of additional taxes. As a matter of fact, this was the recent testimony of Secretary Snyder before Congressional Committees.

Before our market opened this morning there was not too much to guide it except that news from Korea was less optimistic, the Communists having made proposals to which the U. N. would not accede. It looks like a stalemate for the next few weeks even granting that neither side is anxious to carry on the fight.

It was reported early that Holland had bought a cargo of hard winter wheat at the gulf for February shipment, the U. K. also bought some corn at Baltimore, and there were other minor purchases, but in any case it is this export demand that has been one of the stimulating factors for some time. In feed grains a good many people are fearful that the next government report will show quite a heavy reduction in the crop estimate. Some believe that the corn situation has deteriorated further due to mild weather, which has kept corn from drying properly. In some areas the combination of muddy fields has resulted in the revival of hand-picking. In other districts mechanical pickers have been operating only in theearly morning hours while the ground was covered by a frozen crust. Furthermore, it is claimed that soft corn disappears more quickly, but on the other hand high prices will encourage more efficient feeding, thus conserving supplies. The fact that both hogs and cattle have declined inprice may foreshadow greater reductions in the animal population, so that finally we may not have quite the pinch between supply and demand that some had considered likely.

Primary receipts of wheat were 1,776,000 bu, which was about the same as last year, and compares with 1,594,000 bu last week. Kansas City and Minneapolis stocks so far this week show a total decrease of 93,000 bu.

There was no big demand for flour although a little better business in the Northwest. Winter wheat mills are still complaining but inventories are being reduced, and we believe it will not be long before some of the bakers will have to reenter the market. It was rather dull but yet there was a fairly firm feeling in various pits. Rye followed the lead of Winnipeg futures and for a time was strong. There are those who feel that after IWA wheat commitments have been exhausted the demand for rye will improve, as wheat without a subsidy may look high. This has been the basis for some of the recent accumulations, and it seems quite reasonable.

Soybeans were also strong despite the fact that there was not much encouragement from the oil market, which seems to go up rather grudgingly. However, the nearby deliveries of meal have been selling at the ceiling, and with the Directors having taken action yesterday to penalize shorts, some of the other futures which had been indifferent seemed to come into better demand. As the session progressed there was talk of further export sales with Austria taking both corn and milo. This had a stimulating effect on sentiment, particularly as there was no pressure from any source; in fact, country selling of corn and oats were extremely light. When locals tried to take profits in the last half hour markets reacted and new buying power was not apparent, except on recessions.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 5, 1951

Everybody realizes full well how business costs have risen during the past ten years, and, of course, the same refers to government, because in paying salaries they must compete with industry. Nevertheless, as we look at the official figures of some of our Departments in Washington, and particularly those operating outside the defense effort, we wonder whether the money is all being spent to the best possible advantage. Here are some official figures on operations that we find quite startling:

	1940	1950
Department of Commerce	$ 75,116,535	$ 863,082,952
Department of Interior	71,385,280	568,435,344
Department of Labor	18,576,698	257,043,997
Department of State	20,829,487	361,226,112
Independent Offices	3,269,254,403	9,033,499,112

Whenever anyone suggests economies there is always some excuse found but the fact remains that this reckless spending finally means that funds must be extracted from the harrassed taxpayers of this nation. This notwithstanding the repeated warnings made by outstanding authorities that from seven billion to ten billion dollars might be pared from the over-all expenditures.

Before our market opened this morning there was not too much news. Mild weather continues over most of the country. There is no change in that direction but some moisture will probably occur over the corn belt, while there have been rains over eastern Kansas. The large sections of wheat land in Texas are still unrelieved and a good, soaking rain or snow later on would be extremely beneficial.

There seems to be export business going on all the time and possibly Austria may be in the market for 8 to 10 cargoes wheat while Holland has purchased a cargo of hard winters at the Gulf. There has also been some business reported in corn and milo. We heard but are unable to confirm that Switzerland took a cargo of wheat outside of IWA, all of which suggests that we are still one of the main factors in supplying importers' needs.

Rainy weather continues over Western Europe in a report that we had today from Broomhall. This has delayed seeding, and as a result much land that might have gone into winter wheat may be held now for spring. Elsewhere on the Continent there has been fairly good weather with the result that crops are germinating satisfactorily, and it remains mild. Excessive rainfall in France has retarded planting, and wheat acreages may be somewhat cut from early expectations but the trade belief holds to the possibility of some increase in wheat acreage for the 1952 harvest, if there are a few weeks of dry weather or satisfactory conditions next spring. Rains, according to the same authority, have materially improved the outlook in India for spring crops, but the food situation in that country is still very serious, and the grain deficiency during 1952 was recently estimated between 5 to 7 million tons. Ordinarily at this time of year we would be looking forward to the time when Southern Hemisphere would become more of a factor. It is for that reason that January 10th is often the calendar period for making sales. However, the Argentine wheat crop is estimated at only 118 million bu compared with 222 million last season and 189 million bu two years ago. Under such conditions Argentina would be virtually eliminated as an exporter next season, with home requirements ranging from 105 to 125 million bu, and also, a carryover of little significance. In Australia there has been some slight improvement but yet final yields will not show up well in comparison with past years.

Primary receipts of wheat amounted to 1,394,000 bu compared with 928,000 bu last week, and 773,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 203,000 bu.

Markets were rather firm during most of the session, although the business to Austria which we referred to earlier, may have been deferred for the time being; nevertheless, there seems to be some pressure from the country due to redemptions and a little more interest is apparent in flour buying, although actual bookings have not expanded much. The Southwestern Miller in its comment, believes that on any further setback there would probably be a better volume. December wheat which was rather weak yesterday in relation to other futures seemed to be a little firmer this morning, and so far this month there have not been any deliveries of consequence. Corn paid very little attention to the tremendous hog receipts in the various markets; here in Chicago over 30,000 head were reported. The hog market was distinctly lower, but a good many people believe this is only seasonal and that in another 4 or 5 weeks there may be some change. The USDA calls attention to the hog slaughter of 1,745,000 head the past week, which is 25% higher and 2% more than last year.

This is not a solicitation of any order to buy or sell but merely a current market bulletin. Any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 6, 1951

First reports were that some fair quantities of gulf wheat had been sold to Holland, also that they took 2 cargoes corn, and a cargo of milo. Later it developed that overnight business had been very heavy with Austria taking 6 cargoes wheat, half of it comprising springs, the balance hard winters. The U. K. was also in the market; Italy bought 3 cargoes, and some believe that the total may have been 14 cargoes, which, of course, are the largest overnight sales we have had in a long while. This took hedges out of the market here, also in the Northwest, and undoubtedly some in Kansas City, which created strength all around. It is difficult to give our readers the total exports to-date, because there are some discrepancies in Broomhall's figures. He still maintains his own without taking into account official clearances that have been published to end of October. We believe that he was about 15 million bu lighter in his calculations than the government, but in any case during the past week he figures that 8.6 million bu was shipped. If this is the case our own guess is that clearances since July 1st would run somewhere between 180 to 185 million bu, probably nearer the higher estimate, which would be twice as much as was exported during the same period a year ago. To what extent foreign countries are laying in supplies to get within the IWA quotas is difficult to tell, but undoubtedly this is an impelling factor, as is also the bad crop situation in Southern Hemisphere that brings most of the buying to North America. As near as we can tell Canada has shipped about 112 million bu since August 1st compared with 73 million last season; so they, too, are doing a good business in view of transportation difficulties and the fact that there may still be 100 million bu wheat in the fields unharvested due to adverse weather.

The Chicago corn-hog ratio was 9.7 this week compared with 9.8 last and 11.0 a year ago. The Iowa ratio also declined during the week and was the lowest since June 1948, which undoubtedly is responsible for the heavy movement of hogs to market, but it always takes time for readjustment because many hogs have to be finished up before they are ready for slaughter.

Redemptions of wheat in the Southwest were very small, and this is the season of the year when ordinarily higher prices prevail. Very likely farmers are waiting for the next calendar year before disposing of their supplies on a bigger scale. We heard from Kansas City, Wichita, Hutchinson, and Salina, all indicating that redemption of warehouse receipts had almost completely terminated, so that there is not apt to be much pressure from that source during the next three or four weeks.

Not much is heard of inflation, but this is still a factor, and as one authority points out our government will collect $60 billion this year in taxes but it will probably spend a good deal more. We seem to have ceilings on everything but federal spending and taxation, and the only means of curbing wastefulness is to put an end to subsidies and to cut non-defense efforts to the bone. Unless we do this risk capital will dry up and opportunities for further growth will be stymied. There are just as many people as ever anxious to invest and these men also have the will to do so, but as long as taxation continues at present levels, there are not the funds available for new enterprise.

Primary receipts of wheat were a little over 2 million bu, which was about the same as last year and compared with 1.6 million last week. Kansas City and Minneapolis stocks so far this week show a total decrease of 281,000 bu.

There was a fair amount of buying at the opening but most brokers expressed the opinion that it was nothing in comparison with the volume of exports that had been reported; so possibly some hedges may have been removed earlier in anticipation of this business. Best prices were not maintained although season's highs were registered for all wheat futures except the December delivery. Milling business was a little improved but yet not too brisk. Winston Churchill stated that in his opinion a World War was more unlikely as allied strength increased. Neither this nor the break in the London bond market had much influence here. Some attention was paid to a report that dust storms were prevalent at Hutchinson, Kansas and this brought to mind that Texas and parts of Oklahoma still remain dry and need moisture continually to make up for subsoil deficiency.

Corn and oats lagged a little but these grains were firm with no appreciable selling from the country. The reaction in wheat did not extend far as it is expected that Italy may buy an additional 8 to 12 cargoes for February-March shipment within the next few days.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 7, 1951

The American press recently conducted a poll, and asked the question: "Do you feel that our nation is headed toward Socialism?" 80% of the "grass-roots" editors answered "Yes," which certainly gives us something to worry about, and as the American Taxpayers Association points out: "For 1,000 years England was impregnable. Napoleon and Hitler were unable to storm across the channel with all their bombs and guns, but Karl Marx made it without firing a shot." The national policy for nearly two decades has been to solve all problems by spending public money with apparently little thought being given to our economic capacity. An unbalanced budget leads to Socialism, and certainly there is a limit to the charitable projects that our economy will support.

Before our market opened this morning, there had been further reports of export business, but apparently the additional sales to Italy had not yet been consummated, so that not too many hedges had to be lifted. Nevertheless, sentiment leaned to the bull side of the market, and with securities again higher, cotton also strong, oil prices advancing, there seemed to be very little resistance when a few buying orders appeared probably for speculative acconnt. It was also claimed that Holland had bought a cargo of milo for first half February shipment. The U. K. also made a similar purchase, while smaller quantities of corn were sold, but this all showed a good demand on part of Europe, so that coarse grain prices, which had not kept pace with wheat yesterday, were bolstered somewhat this morning, although early trade was not particularly heavy.

We understand the members of the Advisory Committees have been asked to meet in Washington December 17th, and 18th to discuss corn ceilings. What will transpire, of course, is difficult to tell. Some believe that a ceiling on corn may be set at about the $2 level. Others feel that it may be 10¢ a bu higher. Our own view is that the government has adopted a parity price formula in order to give the farmer a proper balance between the things he buys and the commodities he sells. If this is correct, Washington should also take into account that there have been many occasions when even though loans were afforded, a good many agricultural products were sold below parity. As a matter of fact the loans on basic commodities provided only a 90% of parity loan. Many of the smaller farmers, not wanting to be hampered by redtape, sold their wheat at prices considerably under parity, and, for example, last year red wheat was sold at comparatively cheap prices. Under these conditions it seems only fair that ceilings should be high enough to provide a level somewhat higher than the parity in order to give the farmer a fair average over a period of years. In other words, we feel that just as the laws of supply and demand compensate the producer in years of improved demand, cognizance should be taken of the fact that Europe needs our grain at a time when crops in the Southern Hemisphere had failed. There would be a twofold purpose in handling it this way. First, it would encourage heavier production next year, which the government wants, and secondly, it would conserve supplies at home, particularly feed grains, which might be used extravagantly unless the price factor is permitted to come into play.

Primary receipts of wheat were 1,451,000 bu, which was a little less than last week. This compares with 962,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total decrease of 349,000 bu. When the visible supply is posted on Monday, it will compare with a shrinkage last year of 1,200,000 bu.

Trade was not as broad as earlier in the month, but, nevertheless, prices were very firm. New highs were made for all wheat futures and New York intimated that Italy was asking for offerings after the close today for four cargoes to be shipped during February and the same quantity for March, presumably hard winters in both cases. Whether hedges have been covered in anticipation of this business is difficult to say, but in any event it will probably at least have a psychological effect when put through even though it has been known for a few days now that the purchases were to be made. Flour business has dropped off again, but there is no pressure from the country and in the outside wheat markets also wheat deliveries are commanding a premium. There was no special feature to coarse grains. Weather is a little cooler but it is still warm for this time of the year. The corn belt is expected to have clear skies tonight and Saturday. Canadian wheat exports from August 1st to date are 118 1/2 million bu compared with 72 million bu a year ago. Of this quantity, 14 1/2 million bu was shipped to the U.S., probably for feeding purposes.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Dec. 10, 1951.

There has always been an old adage that when corn was plentiful it was fed in buckets, and when it was scarce it was fed in teaspoons. In other words, this country was always able to adjust itself to the size of the corn crop, but this adjustment was done through free markets when prices were a correct expression of relative values. With the present publicity given to the subject of feed grains, every incentive should begiven the farmer in the way of prices to plant a large acreage for the coming year rather than a threat of price ceilings. In most past years the farmer had to be satisfied with a return under parity, and with present conditions such as they are we feel that he should be permitted to obtain more than parity for his present crop ifdemand should continue. Not only would this be an incentive for planting, but would also lead to thefeeding and marketing of lighter weight hogs and cattle, thus conserving supplies. There was again a very large run of hogs, with receipts at the twelve leading markets amounting to 164,300 animals, which is about 23,000 larger than a week ago, and 22,000 larger than a year ago. Possible ceilings always act as a magnet and this is undoubtedly causing some undue strength in corn. The approach to a ceiling greatly disturbs the hedgers who do not want to be frozen in. Furthermore, a ceiling will seriously interfere with the flow of grain from the country, and also cause great problems to those who carry corn inventories. The feed industry continues to operate at record levels, but there are some signs of changing conditions. The immense hog runs, the wind-up of the turkey season, the break in egg prices, weakness in beef cattle, and an unfavorable feed-broiler ratio are bound in time to have some influence.

Artificial farm programs throughout the world are accentuated in England, where there is less food in the larder than in the perilous days of 1941. At that time the British Isles were cut off from their supplies. As pointed out by the Minister of Food, not only is that country limited by the shortage of dollars, but they have to curtail imports from Europe as well for currency reasons. Moreover, Argentina is not able to supply them with all the meat and Australia with all the butter and meat they need. The U.S. is contributing tremendously to the food situation in other parts of the world through IWA subsidies and free gifts, but very little criticism is directed to the Argentine, which has allowed her great agricultural industry to rot and fester, or against Australia where the wheat area has fallen by 3 million acres in three years due to the artificial marketing system. Broomhall points out that the problem coud be tackled if right policies are followed. The world's crop lands are not yet fully employed, and they are not producing the maximum amount of food. He feels that all countries should be pulling together as they are all interested in maintaining the world's surplus instead of which there are a thousand and one different prices and policies reacting on local production without reference to a balanced world position. Also , wheat is the first article to be controlled instead of the last; it sells below wool, jute, cotton, and other products instead of above them. Even in Great Britain the wheat acreage has not come within sight of an emergency level. Broomhall feels that sooner or later there must be an answer as to whether world wheat production can be maintained through control of prices, and that the world must appraise the significance of the decline in the Southern Hemisphere wheat production and whether the operation of IWA is associated with that decline.

Primary receipts of wheat today totaled 1,946,000 bu compared with 2,476,000 bu a week ago, and 1,994,000 bu last year. When the visible was posted wheat showed a decrease of 5,450,000 bu, bringing the total now to approximately 170 million bu, or about 51 million bu less than a year ago. Stocks of wheat in Chicago decreased 201,000 bu, leaving 7,810,000 bu in this market, while corn increased about 1 million bu, bringing stocks to 11,253,000 bu; oats showed a decrease in Chicago of 316,000 bu.

It was reported that the U. K. bought a cargo of hard winter wheat out of the gulf for the last half of February. However, there seemed to be some sizeable buying of wheat futures, which some believed represent purchases on part of exporters, possibly in anticipation of some business to be consummated in the near future. Flour business, according to The Southwestern Miller ,was slack over the weekend. Any easiness in the wheat market might lead to a substantial volume of trade. IWA sales for the week ended December 4th amounted to approximately 16 million bu from the U.S. as wheat and flour equivalent, bringing the total to 174 million bu, leaving 81 million bu still to be sold against the quotas, with importers anxious to fill their quotas under the IWA arrangement. After quotas have been filled there is a possibility of some easing, with prospects of Canada being back in the export colume this spring in a larger way.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-5282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 11, 1951

On the surface it still appears as though we were enjoying great prosperity in this country. Possibly this is due to the fact that there are still 61.8 million persons gainfully employed, or about the same as the month earlier, and it is estimated that consumers are spending at the annual rate of $203 billion and saving $222 billion, all of which accounts for the fact that business, while a little slacker than heretofore, is still in the main keeping up well. There are some things, however, under the surface that are taking place, which are not so discernible to the average observer, but yet these signs finally point to greater insolvency if extended for any lengthy period. For example, taxes now absorb about 30% of our national income compared with 40% in Britain. We have seen that conditions in England have gone from bad to worse, and that country now faces an acute crisis despite the substantial financial help that is being provided by the U. S., and which has continued since the close of the war. Should we become deeper involved with military expenses, and if our tax load becomes more severe, we might finally find ourselves in a similar position to that of Britain, with no outside aid forthcoming. In other words, we are not lagging far behind Britain in tax policies, and this is a danger signal which the U.S. should heed. It behooves us to soberly reflect upon the tragedy which has befallen them, and to benefit from Britain's experience. We should not overlook either the fact that it was capitalism that emancipated men and women from slavery and extreme drudgery, while at the same time providing opportunity for the advancement in accordance with people's ability. We say this because both in England and here politicians have become ambitious and have attempted to cure economic ills, thus relieving poverty by means of government planning, which over a period of centuries has had a record of dismal failure.

Before our market opened this morning, there was not much to guide it except that yesterday's break in wheat had occurred after exporters had covered futures rather liberally, and new buying power was apparently not forthcoming. It is probably a fact that after the 75 or 80 million bu wheat is sold under IWA additional purchases will be of smaller volume owing to the fact that users will have to pay 70 to 75¢ a bu more than when the subsidy is available. There is some talk that France may have to take care of some obligations outside of IWA, but in the long run we figure that foreign business will become less pronounced, and particularly in the spring months when Canadian offerings increase. The Northwest Line Elevators Association of Canada in their recent estimate of crops for the Prairie Provinces believes that the wheat crop will be 550 million bu compared with the official government estimate of 531 million bu. Reports by the elevator agents indicate that there is still about 26% of the crop to be threshed.

Thus our markets may gradually become somewhat more two-sided, and the same refers to other commodities such as oils and fats, as savings can be effected through high prices and heavier marketing of animals. It is not often that feedstuffs in the Southwest remain any lengthy period above $60 a ton, and thus for the first time we find a good many people, who for many weeks have been bullish in their thinking, have turned somewhat more conservative at present levels.

Primary receipts of wheat were a little over 1 1/2 million bu, slightly above those a year ago. This compared with 1,776,000 bu last week. Kansas City and Minneapolis stocks so far this week show a net increase of 19,000 bu.

Markets were rather weak and a commission house featured prominently as a seller of March wheat which caused a good deal of weakness in the leading cereal, and, in fact, this spread to other pits with the result that there was quite a change in the character of sentiment with more people apparently concerning themselves as to the reason for today's sharp decline. We heard one report from New York that the government might put a damper on exports pending more information on the growing wheat crop, but we were unable to get any confirmation of this and it is our opinion that outside of Texas and a small part of Oklahoma the outlook is exceptionally good with probably the acreage goal met insofar as winter wheat is concerned. After the extreme break had occurred there was a little rallying power but yet new buying was curtailed and apparently it will take foreign business again to stimulate more enthusiasm on the constructive side of the market. Mills only did a small flour business, and in fact, we did not hear of much additional business even on the decline.

Beans were quite weak, following lower prices in oil. Both cottonseed oil and soybean oil showed a weaker undertone but there was no special news that came to our attention relating to these commodities, except that oil stocks are being accumulated.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 12, 1951

Wheat prices rose above loan levels earlier than usual this season, and this may be attributed to several causes. Probably the most important was the realization on part of farmers that they had nothing to lose by holding back or impounding their grain, and everything to gain in the event that prices would advance later in the season, as they have done now on so many occasions, with the government stimulating exports on such a heavy scale. There may have been some other reasons also for the sharp advances that we had: namely, adverse conditions in other exporting countries at a time when world demand for grain was heavy. There has been some slight change in Southern Hemisphere prospects, with Australia now likely to raise a crop of 166.7 million bu. This is still small in comparison with other years. For example, last season she raised 183 million bu but two years ago 217 million bu. On basis of the prospective crop in that country there will be 80 million bu for home use, and roughly, 106 million bu for export and carryover, which is certainly well above earlier expectations and should also permit the fulfillment of IWA commitments. During eleven months of this year Australia cleared 119 million bu; so it is quite obvious that quantities offered from there are going to be smaller, but nothing like the situation in the Argentine where only about 118 to 128 million bu will be raised, according to last reports. This is only enough to about take care of domestic requirements for that country.

There is no real concern now over the final results in Canada, even granting that one-fourth of the wheat raised last summer is still in the fields and may not be harvested until spring. One of our good friends writes that in all the long years that he reported, he failed to observe two successive years when Prairie crops remained under a snow covering until spring, and, therefore, it seems improbable that such a condition as prevails today will occur again for a long time. The one heartening feature in the present situation is that a record yield had been obtained, and moreover, farmers last year reported that grain which would have been threshed tough and damp in the fall of the year finally was harvested the following spring dry and apparently in good condition. So the actual losses may not be severe, although it is too early to forecast anything at this time.

Broomhall reports that European weather has again turned unfavorable for movement of grain from farms, and that also late field work was retarded. There have been no estimates of fall acreages but they will probably fall short of earlier expectations in some countries, necessitating more intensive spring planting to insure the proper goals. Even the germination of fall crops has been uneven. French weather was such that planting was delayed, although recently there has been a real improvement. Seasonable conditions prevail in Western Germany and crops are expected to enter the winter satisfactorily. However, in Italy there were some losses due to floods last fall. A certain amount of acreage was lost, and replanting will not be possible until March or April of next year. In addition to this some of the stored grain in flooded areas spoiled. The crop outlook in India has been improved by much needed rains. However, the prolonged drought may not have been overcome entirely. The moisture situation is considerably improved in the Argentine, although it is probably too late to help wheat but corn prospects have been enhanced and much late seeding was possible; also, pastures have greatly benefited.

Primary receipts of wheat today totaled 863,000 bu vs 1,394,000 bu a week ago and 692,000 bu on the comparable day of last year. So far this week, Minneapolis and Kansas City stocks show a net decrease of 110,000 bu.

Flour sales showed considerable pick-up with the set-back in prices yesterday with a fairly large commitment made by one of the large chain bakers. It was reported that the U.K. bought two cargoes of corn, Holland bought one cargo of corn, and also, a cargo of hard wheat, with Portugal asking for offers next week for two cargoes of #2 red wheat. In addition, it is reported that India bought three cargoes of milo overnight. Despite the export business, generally speaking, prices ruled lower through a major portion of the session, although later there was strength in all cereals somewhat paced by beans. It is understood that some soybeans have been sold for shipment out of Chicago to a processor, the beans having been previously taken on delivery.

The ECA allocated $5,600,000 to Austria for bread grains to be purchased between now and March 31st, and approximately $3,000,000 to National China for wheat flour from this country.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 13, 1951

Senator Byrd of Virginia complimented the Farm Bureau Federation for what he termed its courageous stand against the administration's attempts to socialize agriculture. He said that no greater calamity could befall a nation's free enterprise system than the adoption of a farm subsidy program such as proposed a couple of years ago by the Secretary of Agriculture. Socialism sometimes works so slowly and subtly throughout a nation that it is difficult to sense progress, but it has been characterized as something akin to polio. In other words, nobody knows just when he catches the disease but by the time the diagnosis is made it is too late to avoid it, and when you recover you have a lame leg or a paralyzed arm. However, the changes of Socialism are truly irreversible. Senator Byrd further stated that attempts to socialize medicine, agriculture, and other phases of our society would finally mean socialism of health programs, food, and even the roof over our heads.

Before our market opened this morning there was not much to guide it. A little export business had been claimed in corn, with India also taking some Pacific Coast wheat, but the large trades that were consummated previously have apparently placed some of the European nations more at their ease. In any case our total exports to date have been very big. Broomhall revises his estimates and has undoubtedly used the last government figures in the compilation of his data. With the 5.4 million bu wheat and flour that were shipped during the past seven days, the total since July 1st shows that we have cleared 186 million bu compared with only 90 million a year ago. Since the beginning of the world crop year, on August 1st, Canada has shipped 121 million bu compared with 76 1/2 million last year; so even with the transportation difficulties they have done a fairly good job in getting wheat out of the country, although some of the shipments just mentioned undoubtedly comprise feed wheat that is coming to the U.S. As for Southern Hemisphere, Australia has shipped 47 million bu wheat since August 1st against 50 million a year ago, Argentina 20 million compared with 30 million, and Russia through Black Sea ports 8 1/2 million vs. 4 1/2 million last season. Southern Hemisphere shipments will undoubtedly slacken due to poorer crops; therefore, the main burden will still fall upon North America in furnishing the deficit nations with their needs. Since the first of October we have shipped 10 million bu corn compared with 22 million a year ago, and 4 1/4 million bu beans vs. 6 3/4 million in 1950. Exports of rye have been next to nothing but likewise imports from Canada are small owing to the fact that rye is fourth on the priority list and it is difficult to get supplies from country points to terminals, all of which has had the effect of keeping markets strong both in Canada and here.

The corn-hog ratio declined again this week to 9.4 vs. 9.8 last week and 10.7 last year. Hogs continue to come to market lighter, which shows that they will not be fed to the same weights, and undoubtedly economies are taking place. As an offset the next government report may show a decided deterioration for Iowa, Nebraksa, and South Dakota. Therefore, the market has had a fairly firm undertone and is not selling far from the best level of the season.

Farm employment is down seasonally with a total of 8,873,000 people working on farms in late November. This is a reduction of 3 million from the previous month but there are only 75,000 fewer family workers than last year, while the number of hired workers is about the same. The employment concept is such that all farm operators are counted as employed if they spend one hour or more during the survey doing farm work, chores, or in the transaction of farm business. Thus it is somewhat difficult to derive too much information from published statistics.

Primary receipts of wheat today were 1,597,000 bu, which was about the same as last year, and compared with a little over 2 million bu last week. Kansas City and Minneapolis stocks so far this week show a net decrease of 14,000 bu.

Trade was rather light in comparison to previous sessions. Ordinarily export business between now and Christmas slackens due to long holidays abroad, and if this is the case this year, markets may miss the effect of this business.

Next Monday Washington will consider mechanics with respect to corn ceilings. It is our view that corn should be left alone rather than to risk any possibility of a return to black markets such as we had the last time when prices became frozen. There are enough irregularities being reported daily without inviting more. If Washington does finally decide that ceilings must be applied, they should certainly be high enough to permit farmers who have raised poor quality corn to benefit in a year when offgrades might be more plentiful than normally, and only prices far above parity levels for good quality would accomplish such a goal. There was a little flour sold overnight, but business was small in comparison with the recent spurt.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 14, 1951

Overnight weather was somewhat of a surprise. There had been some light snow predicted for the Southwest but in some sections it proved heavier today than had been forecast, and in parts of Nebraska 5 to 10 inches fell, although lighter in other places but the coverage was quite general. At the start we were led to believe that the Texas Panhandle had been overlooked although during the session a report came to us that it was snowing hard and that the ground was covered at Amarillo, and indications were that more might occur, with also relief in southern Oklahoma. This, of course, is important because Texas has been so very dry, and we believe there are parts of the state where moisture deficiency has been as much as 10 inches; so it is going to take a lot of rain or snow to give us a normal crop next summer. However, after the two failure ones which we had in 1950 and 1951, we are certainly due for a change under the law of averages.

Our market opened somewhat lower, and while some export business was reported in corn to the U.K. with two cargoes worked overnight, there did not seem to be much wheat business, although we may be mistaken in this surmise as there had been a number of hedges covered yesterday against anticipated business which may not have materialized until this morning. There was a moderate increase in flour bookings, and in fact, one house bought futures rather prominently so that shortly after the opening we had recoveries and a somewhat better undertone than had been expected. Chances are that either on barter arrangement or otherwise some of the government-held wheat is being reduced, and we are of the opinion that by end of the season possibly CCC will own only 80 to 90 million bu. Therefore, there may still be rather good quantities in private hands, as we doubt now whether total shipments for the year will be much over 375 million bu. This is a good deal more than had been forecast earlier, but, of course, the change was made necessary because of bad transportation in Canada early this season and the poor crops in Southern Hemisphere

Seeding of winter wheat in France is now said to be completed and Broomhall's correspondent believes there may be a slight increase over a year ago. Otherwise we do not get any additional news of European conditions, but other reports that we mentioned in our letter yesterday were slightly on the pessimistic side, as it will mean heavier planting in spring to make up for some of the wheat that could not be sown this fall.

The hog market this morning was little changed from yesterday, but we heard from reliable sources that 200,000 hogs in the various markets were received, and this is possibly a record, but in any case it indicates that the poor feeding ratio is discouraging the use of corn except where necessary. On Monday there will be a crop report issued after the close, and of intense interest is the figure on corn, with a good many people looking for a reduction in the yield as compared with the previous month. This in our opinion is having as much to do with keeping up prices as anything else, but also a factor is speculative buying of the December delivery, which has narrowed the spreading difference between December and the more distant months, and has possibly lent a little bullish feeling to this cereal.

Primary receipts of wheat were 1,411,000 bu, very much the same as last week, and just a shade smaller than last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 177,000 bu. When the visible supply is posted on Monday it will compare with a decrease last year of 5 1/4 million bu.

Markets were intermittently strong and weak, never getting above the previous close, but at least showing some rallying power until toward the end of the session when there were rumors that the Pound Sterling in Britain might be devalued. This was promptly denied by a British government spokesman and he added that nothing had happened recently to make the change necessary. There was, however, some selling today by various cash houses both here and at Minneapolis, and new buyers apparently were not there in sufficient numbers to check the final decline which occurred. Possibly wet weather over a large part of the grain belt may have dampened enthusiasm as well as the ground.

We expect rather quiet dealings in export channels for the next few weeks, and the trade will miss that business as recently much of the strength has occurred when hedges were lifted.

Corn and beans also shared in the general weakness. There was no particular pressure, but markets have had a big advance during the past few months, and further reactions would not surprise us.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Dec. 17, 1951.

On Thursday of last week, after a very large export business had been put through, it looked as though there might be a lull, and very often the Christmas Holidays in Europe are celebrated for a longer time than here. So we get a period of quiet, and at least some hesitation, particularly after immediate requirements have been purchased. However, the condition this year is a little different from usual, in that pressure from Southern Hemisphere will not be heavy during January. Very likely there is more nervousness over getting coverage for the period of February, March, and April, so that supplies of this kind are not entirely out of order. It became known Saturday that possibly as much as 10 million bu fresh business was in the offing, and early today it had been reported that over 2 1/2 million bu wheat was purchased by Egypt, although it is our impression that this constitutes a barter agreement wherein we will get some cotton from that country in return for the wheat we ship them. It is also our understanding that the transaction had been under consideration for several weeks, our government probably to furnish the supplies from CCC stocks. While we havenothing definite to confirm this view it looks to be reasonable on basis of what we haveheard, and the added fact that there were hardly any hedges covered this morning, although some were taken out of the pit Saturday, in anticipation of further exports. There was some talk around that Germany might not buy tomorrow, but this might only be a postponement, and it is rather difficult to give concrete advices when there are so many governments involved in the handling of trade. There are also some discussions now in Washington with respect to extending the International Wheat Agreement, which normally would end on July 31, 1953. Apparently if foreigners are satisfied with the way it has functioned thus far, our government will go ahead, for after all we are very dependent on selling our surpluses abroad, particularly if large crops continue to be raised.

We pointed out in our gossip a few days ago that there has been little change in the domestic consumption of wheat during recent years. While about 500 million bu goes for food at the present time, we consumed nearly as much: namely 486 million bu, before the war. Seed requirements have gone up possibly 7 million bu due to larger acreage and a little more is going for feed, but in a year like this we are taking about 40 million bu from Canada so that actually we would be in bad shape unless we had our foreign outlets. During the prewar period our average shipments were 43 million bu a year, while this season we are apt to ship 365 million bu, and we had one or two years when clearances were a good deal heavier. We forget rather quickly, but it is well to bear in mind that total crop production of wheat in the tenyears prior to the war was only 738 million bu, while since 1944 we have been raising over billion-bu crops, with the exception of last summer when the figure was slightly under, but yet with better farming technique, more fertilizer being used, given normal weather conditions we should continue to raise better crops. On Wednesday the government will give us the winter wheat acreage and a preliminary forecast as to what may be expected for the 1952 season.

When the visible supply was posted there was an increase of 1,890,000 bu in wheat. Some wheat is showing up at the seaboard, but there were also some increases at interior points, and total supplies are 172 million bu, or roughly 43.8 million bu less than a year ago. Corn increased nearly 1 million bu, to a total of 44 1/2 million bu compared to 51.7 million last year. Changes in oats were negligible Here in Chicago there was a small decrease in the wheat stocks, corn increased 793,000 bu, and oats and rye were little changed, and the same holds true for beans.

The market did not maintain the full advances which were registered early in the session, but the undertone was firm. Apparently the trade was a little cautious before the issuance of the government report, and the main interest centers in corn to see if the decreases will be as large as some in the trade had expected. A little buying occurred in wheat due to the removal of hedges against flour sales, although they fell off abruptlyon Saturday, and apparently recent purchases are not being repeated in volume. The oat market is rather indifferent, and for the time being traders in soybeans are not getting too far in either direction, but apparently some still hope that as time goes on oil prices will improve.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 18, 1951.

After the close of the market yesterday we had the long-awaited crop production report, and while reductions in corn had been expected of somewhere from 100 to 150 million bu, there had been a few isolated guesses that even greater quantities had been taken from earlier estimates due to adverse weather, but apparently the extreme forecast did not materialize. Actually the cut of 147 million bu was pretty much in line with most predictions, but, strangely enough, Iowa was cut only 23 million bu, and still has a very fair crop amounting to 471 million bu, which is a little more than was raised last year. Minnesota, which state had early frosts, was estimated a little more than last month, and actually a larger crop than was raised a year ago. Nebraska was down but apparently those states which generally afford the heaviest feeding opportunities were fairly well in line with other years. As is sometimes the case reports of this kind are discounted before issuance. We saw the same in cotton where a very sensational figure was recorded a few months ago, and since that time cotton prices have been struggling to maintain price levels that are still at some distance from the ceiling.

There were a few other factors, however, that came into play today. One was the naming of prisoners by the Red Army, which was a little more peaceful in its implications, and before grains opened, cotton and cottonseed oil markets were lower. Also, the trade had in mind that last year's consumption of corn was somewhat less than had been given earlier. This was due to the fact that the government cut production of the previous crop by some 74 million bu. In view of the fact that the carryover reserve on October 1st was only 115 million bu less than the year before indicates that while feeding operations were heavy, consumption was down somewhat from preliminary estimates. We could conceivably cut into our present reserve by 230 million bu, if feeding of livestock were on about the same scale as last year. However, there may be some additional marketing of animals, and particularly hogs, since the feeding ratio is not so attractive, although it takes time for this to be accomplished. In any case we cannot feed more than is produced, and if the government is anxious to provide enough meat, butter, milk, etc. for the American people, there would be one simple method of bringing about such a result: namely, liquidating gradually the CCC holdings of corn, which have been variously estimated at about 400 million bu. In their comment they say that it will require either a high level of production next season or a cut in livestock numbers during 1953 if we want to maintain the present high level of livestock production. As it is we can forecast with reasonable accuracy that our carryover next October will be about 530 million bu, which would still be sufficient for all purposes, but the important thing is that enough corn is in the hands of the free trade and not under government domination.

While the oat crop was also cut about 56 million bu, we do not pay much attention to that figure since the previous crop was also reduced by about the same proportion, which leads us to believe that last year's consumption of oats was not as great as we had figured before.

Primary receipts of wheat were a little over a million bu compared to 1 1/2 million bu last week and about the same last year. Kansas City and Minneapolis stocks so far this week show a total increase of 91,000 bu.

Markets never showed much gimp and apparently those who had been waiting for the issuance of the government report wanted to even up commitments to some extent. During the session, there were several messages from Korea and Tokyo, which indicated a more favorable prospect for an early truce. There is nothing very concrete yet but in any event some concessions are being made for the first time by the Communists. Flour demand is still very light and many mills are complaining that they are getting hardly any orders even against old business. There was some selling of futures by cash houses, which indicated that the export business which had been anticipated on Saturday may not develop in such big volume, although we understand that Portugal purchased 2 cargoes of Gulf wheat and we would not be surprised if Germany would probably come in the market within the next few days. In spite of all the business that has passed, it is still our opinion that the full shipments for the season will not exceed 375 million bu, and if they are somewhat less than that figure we probably will not cut our reserve stock near as much as some had believed would be the case a few weeks ago.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Dec. 19, 1951.

Statistics are always of the utmost importance to the grain trade, and while we had all the figures yesterday with respect to the production of crops last summer, and some revisions for the previous year, there are some comments in connection with the government's findings that we think should be pointed out in order to givethe full picture. First of all, the 1951 production of corn for grain is estimated at 2,653 million bu, a decline of 108 million bu from the revised 1950 estimate. This is largely due to a smaller yield, but also, to unfavorable weather conditions in parts of the country where heavy rains and cold weather delayed plantings and resulted in the crop getting off to a late start, with a continuation of wet and cold weather, which further contributed to the lateness of the crop, and in some localities an early frost did a considerable amount of damage with the result that we are going to have to deal with some chaffy and wet corn in those states where the corn had not reached the dent or later stages of development when the September frosts occurred. The feeding quality of some of this corn is very low, and larger quantities than usual are being required to obtain normal feeding results. Fortunately, much of this inferior corn is in the states where it can be fed, and from that point of view may not present such serious problems as if the condition had been general.

While we have seen some extreme figures, apparently emanating from Washington, as to how low the carryover reserves may be next October, we discount these the same as some of the sensational guesses as to how badly the crop might be cut from the previous forecast. We still believe that over 500 million bu may be carried into the next crop-year, and the only dangerous situation with respect to tightness of supplies would be a comparatively large holding by the government, which seems to be indicated by the fact that they are selling rather sparingly and want to keep reserve stocks for eventualities. We differ with them in their reasoning because the accumulations occurred due to the fact that the loan price was in many cases higher than the market, and since they use taxpayers' money to finance these operations, it would seem only logical that they would want to liquidate their supplies whenever it could be done without affecting the market adversely, particularly if they could secure a small profit. Furthermore, such reserves in the hands of the governmentshould be reduced at a time whencrops are less favorable than average in order not to upset our economy or to change eating habits of the nation. The only other methods would be to cut down on exports or forget ceiling prices entirely, so that supply and demand factors would regulate consumption and probably reduce domestic requirements.

The revised world crop estimate of wheat production is 6,550 million bu compared with 6,325 million bu last year, and 6,024 million, prewar average. Thus there should be sufficient for all purposes in spite of smaller yields in Southern Hemisphere. Probably we would not be worried over the supply factor except for Canada, where transportation difficulties occurred earlier in the season, but even now much of the business being reported from the U.S. is for January, February, and even March shipment, so that after these requirements are satisfied, we only have an additional three months to cope with before another crop will be available.

Primary receipts of wheat were down to 711,000 bu compared with 863,000 bu last week, and 990,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 60,000 bu.

Markets were rather weak at the start and apparently there was some liquidation which carried December and March wheat to sharper discounts under the deferred months but later on there were some recoveries on talk of possible export business that was in the making. It was reported from New York that Austria was expecting to buy 7 cargoes of spring and hard winters tomorrow, and that Italy was also inquiring for 4 cargoes each for February and March shipment, but apparently this did not have too much effect on prices and on the rally further profit taking set in. Late in the day, India was asking for offerings of two cargoes of wheat from Atlantic ports but until hedges are actually covered, it seems difficult to inspire much new buying. Contract stocks of wheat in deliverable positions are hardly changed for the week indicating that the demand from this market is not at all brisk. Likewise, flour business is mostly from hand to mouth and the Holiday Season is generally a period of dullness. However, the offerings from the country are also small so that we may have a period of indifference unless the government report issued after the close today shows up some surprises.

This is not a solicitation of any order to buy or sell but merely a current market bulletin. Any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 20, 1951

After the close of the market yesterday, the government issued data and statistics with respect to next summer's winter wheat crop. While seeding operations started later than usual during the fall months, planting conditions and moisture supplies permitted a heavier sowing than a year ago, so that there at least is a chance now that we may raise 918 million bu winter wheat, which would be 40% larger than the preceding crop of 645 million bu. The ten-year average in the period 1940 to 1949 was only 791 million bu. There are, of course, many reservations when estimates are made this early; actually the crop is not regarded as being so much better than a year ago at this time. However, there was adverse weather, with insufficient moisture last winter, also a dry spring and floods during the harvesting period in Kansas and Missouri, so that final results in the 1951 season were very disappointing, and it is not likely there will be a repetition in the year ahead.

Nevertheless, we are starting with a very big acreage of more than 56 million compared with an average of 49.5 million, so that with average conditions we might have a very large yield, particularly if the spring wheat crop comes through according to normal expectations. We would say at this time that 275 million bu should be produced, as acreage in the Northwest probably will be heavy; thus, total production would be about 1,193 million bu, or a little more than the government has been anticipating.

Looking at the possibilities for the various states, it seems that Texas and Oklahoma have been pretty well written down. For example, less than 40 million bu is expected to be raised in Texas next summer, which would be only 7 1/2 bu to the acre, but with any kind of decent weather it might be a whole lot better. Even Kansas, where conditions have been very favorable, has a prospect of about 14 bu to the acre, and that, too, might be raised later on, although the crop of 220 million bu, which the government has forecast, is certainly rather bright in comparison to what what have just gone through. The six Southwestern states, comprising Kansas, Nebraska, Oklahoma, Colorado, Texas, and New Mexico, have a chance of raising over 500 million bu winter wheat against last summer's harvest of only 273 million.

Thus, the outlook is satisfactory, although again we caution that crops are never made in December. Very likely our market would have been lower this morning had it not been for the liberal export business that was reported overnight, and which necessitated lifting of hedges. Austria was the largest buyer, taking 3 cargoes of spring wheat, and four of hard winters. There were also two cargoes of spring sold to India, and a cargo of red winter wheat to Germany from the Atlantic, accounting for about 3 1/2 million bu. There were no indications in the pit that such a big business had been put through. However, we also have to figure that some hedges may have been covered in Minneapolis against the spring wheat sales, also that some hedges may have been bought in anticipation of today's business. However, this was a strengthening factor, and even July wheat, which opened considerably lower, rallied later in sympathy with the general firmness in all grains.

Primary receipts of wheat were 935,000 bu compared with 1,597,000 bu last week and 1,419,000 bu last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 182,000 bu.

The trade was reasonably good but in some quarters the holiday spirit had already started, and we find flour business is at very low ebb. Bakers are somewhat hesitant about taking on additional quantities at the present time. There was, however, a good deal of export business mentioned as in the making. Egypt had received authorization from the USDA to purchase 28,000 tons outside of IWA, but we believe that this may be a barter deal in exchange for cotton. Therefore, it may not involve any wheat from commercial supplies, and it actually could be CCC wheat, which is not particularly bullish on the market. Italy has requested exporters to offer 80,000 tons, which is the equivalent of about 3 million bu, and acceptance may be had by Friday. This would be for shipment by February and March under IWA. Considering all this news the market gave a very poor account of itself. Corn also eased off somewhat. The USDA pig report was bearish, indicating that farmers were dissatisfied with the feeding ratios. Apparently there will be a considerable saving as time goes on.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Dec. 21, 1951.

Winter weather came early this season, and further snows reported over practically all portions of the corn belt, also in our Northwest, but in the Southwest there was very little precipitation, and the five-day forecast does not suggest that much will come. However, the wheat plant is dormant and nobody seems very perturbed over the weather outlook although a good snow-covering for Texas and Oklahoma would be very beneficial, particularly in the dry areas where subsoil moisture has been so deficient.

There had been further export business anticipated. We would say that it probably amounted to more than had been generally expected, with about 5 million bu wheat taken by Germany and Italy, but strangely enough, not many hedges were taken out of the pit, and it is sometimes difficult to explain why this happens. We doubt whether much wheat is being taken out of government stocks, which might be one reason, but probably exporters who have been alerted have covered their hedges in advance, not wishing to disturb the market too much during the Christmas Holiday period. In any event most of the buying at the opening was for local traders, and later on we had some profit-taking which found the market rather poorly supported.

News from abroad is mostly on the optimistic side with respect to crop and weather conditions, which seem favorable on the European Continent. Moisture has been mostly satisfactory and crops are entering the winter in good condition, according to the Broomhall report, although in a few sections germination seems somewhat uneven. Weather has turned mild in the U.K., which has permitted additional sowings, and these had been delayed during November but may now be regarded as largely overtaken. In France weather has turned clear and virtually all the wheat was sown with estimates now indicating a slight increase in acreage compared with last year. In other sections of the Continent the reports are somewhat more varied but nothing to indicate apprehension. Japan bought a cargo of soybeans overnight while Holland took a cargo of milo. This did not seem to have too much effect on markets, probably for the reason that all export business in the past two weeks has had only a steadying influence when the hedges were lifted and later on markets have shown a rather abrupt turn.

We feel that even though some wheat is being sold outside of IWA even if 110 million bu is thus shipped, together with the 255 million bu under the subsidy, the total will only come up to the 365 million bu mark, which has been anticipated by the government, and which should leave us with a carryover reserve of 335 million bu on July 1, 1952, which while smaller than last season, might actually give us a larger quantity of grain in free hands; thus with another large crop in prospect for 1952, there should be enough for all purposes. Furthermore, by next March or April Canadian pressure may increase, and with European requirements fairly well taken care of for the next three months, there may not be the great urgency for the last quarter of the crop-year. After all, foreign buyers may let their stocks run down if conditions abroad are favorable, particularly with the tremendous winter wheat prospect for the U.S., the government just having forecast 918 million bu for next summer compared with 645 million bu last season, 740 million bu two years ago, and 791 million bu the ten-year average. When we furthermore consider that total winter and spring wheat production was less than 740 million bu on an average before the war, it shows how necessary it is to have export outlets if we want to continue high loans and high prices for the American farmer.

Primary receipts of wheat were a little over a million bu compared with 1.4 million last week and 1.3 million last year. Kansas City and Minneapolis stocks so far this week show a net decrease of 297,000 bu. When the wheat visible is posted on Wednesday next it will compare with a shrinkage of 1,462,000 bu last year.

Markets were rather dull today, some selling occurred after mid-session when the reports of export business seemed to have had so little influence, but on the other hand there was no appreciable pressure from the country.

According to Broomhall total shipments of wheat and flour since August 1st are 191 million bu compared with 100 million last season. Domestic flour business was almost nil, and the holiday season seems to be on in full force. Feed grains were very weak today and probably the U.S. pig report yesterday brought closer to home the story of disproportionate relationships between hogs and corn. Oats also suffered and apparently some of the accumulated lines were reduced. There was no undue excitement, however, and there was just gradual liquidation.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

WE WISH YOU ALL A VERY MERRY CHRISTMAS.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 26, 1951

The Chicago Board of Trade re-opened this morning after an extended holiday period, and was influenced to some extent by higher prices that were registered on the Winnipeg Exchange on Monday when rye, oats, and flax all closed higher. It was almost a foregone conclusion that this would have some effect here, but the holiday dullness still prevails, particularly in European markets, and there are some who believe that business will be at a minimum until after the new calendar year. Thus with few hedges having been lifted our market soon settled down and became very quiet.

There has been some moisture reported for the past few days, but it was largely over the corn belt with heavy snow in Missouri, Iowa, Illinois, and Indiana, but mostly fair weather Southwest. The forecast for tonight and tomorrow is for much colder temperatures, particularly in the corn belt, although near zero temperatures also for the Far Southwest. There are no complaints being heard of possible damage to crops, although Texas and Oklahoma are still comparatively dry and could use some of the wonderful moisture we are getting around here.

There is still comment with respect to the last government report, a crop of 918 million bu winter wheat having been forecast. This is more spring and winter than we used to raise on an average before the war, but, of course, we have also become accustomed to much heavier shipments abroad, and particularly so when credit terms have been arranged. Good quantities have also been given away so that we can no longer plan on nominal shipments as long as world populations increase at such a rapid rate. Our own population is also increasing by leaps and bounds and since the turn of the century we have twice as many people in this country as we had; therefore, more mouths to feed, and on the whole people are living better with our standards having improved since World War I, so that with more meat being consumed by every man, woman, and child, we almost have to have large crops in order to satisfy eating habits of our people, who in recent years have been gainfully employe. Of course, as long as we are in a prosperous era consumption holds up, although flour is one of the items that has not been in too great demand, probably for the reason that so many people are watching their figures. Apparently more money is being spent for some of the luxury foods. For example meat consumption is expected to rise from 141 lbs. per person in 1951 to 144 lbs. in 1952. Both these figures are considerably better than those that prevailed prior to the war, and since it takes about 7 pounds of grain and forage to produce a pound of meat, naturally the usage of corn has been largely expanded. We hear from some quarters that the exports of soybeans during the coming season may be reduced. Part of this may be attributable to the tremendous amounts of olive oil available in Italy and in Spain, but it is still somewhat early in the season to come to any definite conclusions.

When the visible supply of wheat was posted, there was a decrease of 582,000 bu; this leaves total stocks in all positions 171 1/2 million bu, or 43 million bu less than a year ago. The corn visible increased 213,000 bu, with 44 3/4 million bu in various positions compared to nearly 53 million bu last season. Oats increased 653,000 bu; there is about 9.8 million bu more on hand than a year ago. Here in Chicago wheat stocks declined 239,000 bu, but there is still about 7 1/2 million bu in this market with a small quantity afloat; also some bonded wheat. Chicago corn stocks showed just a slight decrease, with 12 million bu left here; there was an increase of 416,000 bu in the local oat stocks, bringing the total to 8 1/2 million bu, plus nearly 2 million bu afloat. Rye hardly changed, while the bean supply declined to less than 2 million bu.

Trade was rather dull and not much trend to the wheat market, and there was practically no flour business over the holiday week-end. It looks as though we may have to wait until January before any marked increase takes place. Corn was quite strong, and this may have been partly due to the prediction of cold weather, also a higher market for hogs, which advanced 35 to 50¢ at the Chicago stockyards. Receipts were only 13,500 head, which is the smallest Wednesday's run in several weeks; this was very light because it virtually was a two-day supply owing to the Christmas holiday; a week ago receipts were in excess of 21,000 head. Storm conditions may have had something to do with today's small run. In any case, coarse grains were rather steady. Beans were likewise fairly firm, but trade in the various pits was light. Unofficial advices from Washington indicate that if a ceiling is set for corn it may be somewhere between $2.04 and $2.06 per bu on the Chicago Board of Trade.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 27, 1951

The Department of Agriculture has estimated that nearly 251 million bu grain and grain products were exported from this country since the beginning of the crop-season, July 1st, through November. This compares with 176 million bu during the like period of 1950. Wheat and flour amounted to about 184 million bu in this five-month period compared with only 88.3 million bu a year ago. Thus it is quite obvious that we are feeling the full effects of heavy European demand, much of which was anticipated early this year because of the poor prospects in Argentina and Australia. There had been some large business expected overnight, and the recent grant of $15 million to Germany by ECA was presumably to bring in some business this morning or tomorrow, possibly 5 million bu wheat figuring in the picture. However, we understand now that the quantity will be quite a bit smaller, and there may be delays although some feel that the business might be put through tomorrow.

In any case, with no sizeable hedges being lifted, our market was quite indifferent and somewhat of a holiday spirit prevailed, with the result that some of yesterday's buyers were a little disappointed by overnight developments. In our opinion the market has become stale and needs a good cleaning out before it can advance much. Whether this will come before February is difficult to say. Farmers can still avail themselves of the wheat loan until end of January. For that reason some of the breaks we have had in recent years did not come until a little later on. However, if the country should sell on a heavier scale, or if some of the traders elected to sell earlier, we should not be surprised to see some readjustments after the turn of the year.

There is not much in the weather except cold temperatures although not too excessive over much of the Southwest. There seems little likelihood of any snow for those sections, and as a matter of fact map readers are somewhat skeptical about the additional precipitation that has been forecast for the corn belt. A barometric low rovers over eastern Wyoming but at 30.20 inches it would ordinarily be considered a high, while the barometer over eastern Iowa and Illinois is very high for the season of the year, all of which indicates little likelihood of heavy snow, although some flurries may occur here and there with probable moderation of temperatures by tomorrow.

There were fairly heavy carlot receipts of wheat in the Northwest, both Minneapolis and Duluth showing good arrivals. The snow up there has not been nearly as severe as ordinarily at this time of year, and possibly that has something to do with it. Here in Chicago some attention was paid to the bigger hog receipts, which were about 10,000 head in excess of most guesses. This reversed the market with today's losses overcoming fully yesterday's advance. There was some selling of corn by Northwest interests, but trade in all pits was light, and around the Christmas period there is generally little incentive for making new commitments.

Primary receipts of wheat were 1,270,000 bu compared with 935,000 bu last week and only 435,000 bu last year. Kansas City and Minneapolis stocks so far this week show a total increase of 209,000 bu.

Trade started off rather quietly but after mid-session, there was some buying that appeared to be hedge lifting against export sales although the quantities were not very heavy. There was a slight pick-up also in flour business but nothing very encouraging in this direction and it may be until after the turn of the year until business develops on a broader scale. The contract stocks of wheat in Chicago remain about the same as they have for some time at 3 1/2 million bu. There was a slight increase in the amount of #2 red wheat in this market indicating that the demand is not very great and nobody knows yet what disposition will be made of the soft wheat that was bought by one of the large mills a few weeks ago. In spite of this situation, March wheat was stronger relatively than the May future but it may have been due to the character of the orders that came into the pit. Trade was undoubtedly better than yesterday when only 5 1/2 million bu of wheat was traded and a total of 21 million bu of all grains. There was some selling of corn and it had difficulty moving up much. Due to the relative weakness, we believe that there was better buying of oats. Strength in Winnipeg was also a factor. For the first time in quite a while, the May delivery up there went to a premium over us.

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 Dec. 28, 1951.

The various incidents that have taken place in Communist countries, with a partial breakdown of the peace negotiations, and more recently the holding of the four American airmen by the Hungarian government, indicates rather clearly that the world is now engaged in a psychological or idealogical warfare. Education can be used either as a constructive instrument under our system of individual freedom or as a destructive weapon in the regimented state. The Russian Politburo is utilizing totalitarian education as a powerful weapon to dominate the minds of millions of individuals. Vishinsky says: "We shall conquer the world, not with atomic bombs but with something Americans cannot produce, our ideas, our brains and our doctrine."

When our market opened this morning it was influenced by the prospect of more moderate temperatures that were being predicted for the country generally. While there is a good snow-covering over the corn belt it might still mean some relaxation in feeding operations, as milder temperatures generally require less feed for hogs. Besides that, the hog market exhibited great weakness again, which means that there has been a further disturbance in the ratio and may cause further liquidation of animals whenever it can be done without sending too many light-weight hogs to market. On the other hand, people at the Yards tell us that there will probably be some reductions in marketings, which is quite common at this time of year, and seasonally there is very often a decline after we get into the January period.

The wheat export business with Germany has been delayed and may not be consummated until about the 7th of January, but on the other hand Italy was a purchaser of 2 cargoes of wheat at the Gulf, but this had very little influence on the market. The purchases were made for shipment as far ahead as March, indicating that immediate requirements have already been satisfied. Broomhall reports rather satisfactory weather conditions over Europe, although it is too mild in some countries. Plantings do not indicate any big changes from last season. Increases in some areas are offset by reductions elsewhere, but this authority tells us that in a number of countries spring planting will be accelerated in order to reduce imports. Acreage in France is given as 8.6 million compared with 8.8 million last year, and 9.1 million two years ago. It remains mild in Germany but moisture would be welcome. In Italy, conditions appear to be favorable but early heavy rains and floods affected crops adversely. Russian exports via the Black Sea were over 2 million bu last week, and since August 1st have totaled 26 million bu all grains compared with only about 8 million a year ago.

The Census Bureau Report gave the crushings of soybeans for the month of November at 23 million bu compared with 21 1/2 million in October and 22 3/4 million in November a year ago. The stocks of crude oil increased to 164 million pounds, which is double last year's stock but meal stocks increased very little to 30,455 tons, which is only a little over half of what they were a year ago. Since the start of the season October 1st processing plants have received 108 million bu, which is 13 million less than a year ago and makes up a fair share of the 19 million bu reduction in this year's crop, as compared with last year. Therefore, it is somewhat of an indication that farmers have only a few million bu less than a year ago. However, there are other positions, such as interior mills and elevators accounted for. With the continued poor conversion of soybeans to products and the large stock of oil on hand, and further decline in the price of hogs, it points to further handicaps in profitable feeding. The Office of Foreign Agricultural Relations publishes an estimate of the olive oil production from the 1951 harvest for the principal producing countries of the Mediterranean Basin at 1,462,000 short tons, which may be the largest production of all-time. It is 2 1/2 times last year's estimate of 579,000 tons and 70% larger than the 1940-44 average of 854,000 tons. In their summation, they state it is too early to forecast export availabilities for 1952, but it is clearly indicated that increased quantities could enter world trade. Exports cannot be expected to increase in proportion to the increase in production. The main effects of the large crop undoubtedly will be increased olive oil consumption in the producing countries, sharply reduced imports of vegetable oils and the building up of carry-over stocks. Stocks were negligible at the opening of the season and with a smaller crop in prospect for 1952 as a result of the alternate year bearing characteristic of olive trees, olive producing countries can be expected to build up stocks for consumption or export during 1953.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

UHLMANN GRAIN CO.

DAILY MARKET LETTER

MEMBERS:
CHICAGO BOARD OF TRADE
NEW YORK PRODUCE EXCHANGE
NEW YORK COCOA EXCHANGE
NEW YORK COFFEE AND SUGAR EX.
COMMODITY EXCHANGE INC.

UHLMANN GRAIN COMPANY
TELEPHONE HARRISON 7-6282
141 W. JACKSON BLVD.

MEMBERS:
MINNEAPOLIS GRAIN EXCHANGE
WINNIPEG GRAIN EXCHANGE
DULUTH BOARD OF TRADE
KANSAS CITY BOARD OF TRADE
FORT WORTH GRAIN AND COTTON EX.
CHICAGO MERCANTILE EX.

CHICAGO, 4 December 31, 1951

The year 1951 will go down in history as a great one for American Agriculture, despite individual hardships caused by adverse weather in various parts of the country. The outturn of all crops was exceeded only in 1948 and 1949; acreages were the largest in recent years; the composite yield per acre was the second highest in history. Wheat and other grains that were sown in the fall of 1950 under unusually favorable conditions, including ample subsoil and surface moisture, suffered later on, for in the southern Great Plains area virtually no rain fell after October 1st until well into 1951. Later on there were floods in parts of Kansas and Missouri, but on the whole our production came out surprisingly well considering these adversities. Cash income of farmers will be about $38 billion for this calendar period compared with $33.8 billion in 1950 and $14.3 billion in 1941. Despite our increased production, farm population is declining, and there will be fewer farm residents to feed and clothe next year.

The importance of farm mechanization was again emphasized in the 1951 season, as power machinery enabled farmers to wait out periods of unfavorable weather, so that in that way they could either overcome or minimize the delays in field operation, planting, cultivation, and harvest. As a matter of fact, labor supplies were seldom a limiting factor. The use of fertilizer increased, although in some cases it was far below actual needs. As an example of the severity of weather the losses in acreage, or in other words, the difference between planted and harvested totals, amounted to about 26.4 million acres. This was more than double the acreage loss in eight of the last ten years, and the heaviest in the past twenty years, except for the drought years of 1933, 34, and 36.

With very few exceptions since the Revolutionary War, the United States has produced large surpluses of grains and disposed of them. There was the drought period from 1933 to 1937 during which time we were a net importer of wheat, most of it coming from Canada, but that was the exception rather than the rule. Generally speaking, it was always considered one of our great assets, although we can recall that during the early period of the Roosevelt Administration, when surpluses were regarded as a curse with the result that ways and means were devised to destroy crops and cut down our production. It would have been impossible in the early pioneer days to have built our railroads or to have developed our industries without the large loans from abroad. The interest on these loans was paid through our excess of exports over imports. We were able to manage so well that gradually we not only paid off our indebtedness, but finally had funds left over with which to make investments abroad. Tables were turned, and from a debtor nation we became a creditor nation. There were, of course, times when competition from other exporting nations prevented our shipping as much wheat and corn as might have been desirable, and for a long period our population increased rather slowly. In fact, when the Civil War started in 1861, there were only 31 million persons in this country. At the turn of the century we had a population of less than 76 million people, but in the past fifty years it has doubled. Thus it was very fortunate that new farming techniques were developed, as well as better seed, so that we were able to cope with this situation, and not only produce sufficient foodstuffs for our own needs, but were able to continue in the field of exports. Some believe that during the next twenty-five years our population may increase by some 35 million persons, so that we are not as dependent on foreign outlets as we were during the early period of our history.

Our great hope for 1952 is a more peaceful world. George Washington said in 1790: "To be prepared for war is one of the most effectual means of preserving peace." We cannot hope to match Russia in her masses of men, but we must rely upon our technical superiority and great mechanical power. Full utilization of our manpower and productive facilities will be the deciding factor in victory.

WE WISH YOU ALL A VERY HAPPY NEW YEAR,

UHLMANN GRAIN CO.

This is not a solicitation of any order to buy or sell but merely a current market bulletin, any statements of fact herein contained are derived from sources believed to be reliable but are not guaranteed as to accuracy, nor do they purport to be complete. No responsibility is assumed with respect to any such statement nor with respect to any expressions of opinion herein contained.

DAILY MARKET LETTER

URIL MANN GRAIN COMPANY

INTERNATIONAL DIVISION 1 [illegible]

147 W. MADISON ST.

CHICAGO, December 31, 1951

The year 1951 will go down in history as a year due for American Agriculture, despite individual hardships caused by adverse weather in various parts of the country. The pattern of all crops was revealed early in 1950 and 1951 averages were the largest in recent years; the composite yield per acre was the highest in history. Wheat and other grains that were sown in the fall of 1950 under unusually favorable conditions, including ample rainfall and adequate moisture, matured well, too, in the southern Great Plains area virtually up until late October 1951 until well into 1951. Later on there were floods in parts of Canada and Europe, but on the whole our production came out surprisingly well considering these adversities. Cash income of farmers will be about $ 12 billion for this calendar period compared with $11.6 billion in 1950 and $14.5 billion in 1949. Despite our increased production, farm population is declining, and there will be fewer farm residents to share and share alike next year.

The importance of farm mechanization was again emphasized in the 1951 season as power machinery enabled farmers to work out periods of unfavorable weather, so that in that way they could either overcome or minimize the delays in field operation, planting, cultivation, and harvest. As a matter of fact, labor supplies were seldom a limiting factor. The use of fertilizer increased, although to a lesser extent than it was below actual needs. As an example of the activity of weather, the losses in acreage, or in other words, the difference between planted and harvested acreage, amounted to about 24.4 million acres. This was more than double the average loss in eight of the last ten years, and the heaviest in the past twenty years, except for the drought years of 1934, 1936, and 1940.

With very few exceptions since the Revolutionary War, the United States has produced large surpluses of grains and dispersed of them. There was the drought period from 1932 to 1937 during which time we were a net importer of wheat, mostly from Canada, but that was the exception rather than the rule. Generally speaking, it was always considered one of our great assets, although we long recall that during the early period of the Roosevelt Administration, when surpluses were regarded as a curse, with the result that ways and means were devised to destroy crops and cut down our production. It could have been impossible in the early pioneer days to have built our railroads or to have developed our industries without the large loans from abroad. The interest on those loans was paid through our excess of exports over imports. We were able to manage so well that practically we not only paid off our indebtedness, but finally had built up our with which to make investments abroad. Tables were turned, and from a debtor nation we became a creditor nation. There were, of course, times when competition from other exporting nations prevented our shipping as much wheat and corn as might have been desirable, and for a long period our population increased rather slowly. In fact, when the Civil War started in 1861, there were only 31 million persons in this country; at the turn of the century we had a population of less than 75 million people, but in the past fifty years it has doubled. This is very certainly that new farming techniques were developed, as well as better seed, so that we were able to cope with this situation, and not only produce sufficient foodstuffs for our own needs, but were able to continue in the field of exports, some helpful that during the past twenty-five years our population may increase by some 15 million persons, so that we are not as dependent on foreign outlets as we were during the early period of our history.

Our great hope for 1952 is a more peaceful world. George Washington said in 1796: "To be prepared for war is one of the most effectual means of preserving peace." We cannot hope to match Russia in her masses of men, but we can rely upon our technical superiority and great productive power. Full utilization of our manpower and productive facilities will be the deciding factor in victory.

WE WISH YOU ALL A VERY HAPPY NEW YEAR.

URIL MANN GRAIN CO.